



Debates of the Senate

1st SESSION

•

36th PARLIAMENT

•

VOLUME 137

•

NUMBER 47

OFFICIAL REPORT
(HANSARD)

Wednesday, March 19, 1998

THE HONOURABLE GILDAS L. MOLGAT
SPEAKER

CONTENTS

(Daily index of proceedings appears at back of this issue.)

OFFICIAL REPORT

CORRECTION

Hon. Roch Bolduc: Honourable senators, I simply wish to point out that yesterday, in my speech concerning Mr. Martin's Budget speech, I used a word in English, the French translation of which is, unfortunately, the opposite of my intended meaning. I am referring to page 1211, where the word "combler" in the fifth paragraph should instead read "accroître." That is why I thought I should mention it.

The Hon. the Speaker: For the information of personnel, may I ask whether you were referring to the French translation of the *Debates of the Senate*?

Senator Bolduc: Yes, because it was correct in English.

Debates: Victoria Building, Room 407, Tel. 996-0397

Published by the Senate

Available from Canada Communication Group — Publishing, Public Works and
Government Services Canada, Ottawa K1A 0S9, at \$1.75 per copy or \$158 per year.

Also available on the Internet: <http://www.parl.gc.ca>

THE SENATE

Thursday, March 19, 1998

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

THE HONOURABLE LEONARD S. MARCHAND, P.C.

TRIBUTES

Hon. B. Alasdair Graham (Leader of the Government):

Honourable senators, someone once said that to accomplish great things we must not only act but also dream, not only dream but also believe.

When Len Marchand arrived in Ottawa in June 1968 as Canada's first aboriginal MP, he had just beaten the indomitable Davie Fulton in the British Columbia riding of Kamloops—Cariboo. In his first speech to the House of Commons, he spoke about the frustrations and the despair of our First Nations. He also spoke about hope — hope for a proud peoples which had lost belief in themselves. He said that his people must begin to understand that they could become whatever they wished and that they could aspire to become whatever they were capable of becoming.

Canada's first aboriginal MP spoke of a country which had never before made the attempt to ascertain the fate of a peoples which had lost their past. His was a historic voice and a cause for much reflection because he raised questions about equity and tolerance, about racism and injustice, about a country which was a symbol to the world of hope and compassion — a country where, with respect to our founding First Nations, the one-eyed man had surely become king.

Canadians began to recognize, as this new voice of our First Nations spoke out in the highest legislative body of the land, that something very vital and essential to the national soul had been lost to us.

Is heaven more beautiful than the country of the muskox in summer, when sometimes the mist blows over the lakes, and sometimes the water is blue, and the loons cry very often?

That expression from the Saltatha Inuit was, in a way, the personification of secrets which only our First Nations truly understood. They had paddled the wilderness waters and knew the pain of the portage. They knew the treeless lands and the unspoiled rivers. They were the key to a vital part of our identity. They were part of our special bond with the vast distances, the adventure, the solitude and the mystery of our great Canadian wilderness and the Canadian psyche itself.

Our society has changed a lot in the three decades since Len Marchand was elected. He has been a strong catalyst in affecting that change. He served as parliamentary secretary to our present Prime Minister when Mr. Chrétien was Minister of Indian Affairs and Northern Development and went on to become Minister of State for Small Business. On his appointment to the Senate, he served as chairman and deputy chairman of the Standing Senate Committee on Aboriginal Peoples and worked with great dedication and perseverance as chairman of the Special Committee for Aboriginal Electoral Reform.

Before he came to Parliament, he authored several scientific publications which were widely recognized, ranging from "An Ecological Study of Sagebrush in the Interior" to "Native Vegetation and Soils of some Grasslands at Different Elevations in the Province of British Columbia."

Len Marchand was an active member of the North American Indian Brotherhood and the Union of British Columbia Indian Chiefs.

• (1410)

In recognition of his support to the enhancement of their society, Senator Marchand was named Honorary Chief of the Okanagan, and Honorary Patron of the Native Arts Foundation. Over the last few years, he has worked closely with the Shuswap Band of his province, helping to bring a large development project to fruition. Perhaps closest to his heart has been his tireless dedication to fund-raising efforts for an aboriginal war memorial, a symbol of many things — a symbol of brave warriors who fought and died for freedom but who did not themselves have the most basic entitlement of a free society, the right to cast a ballot, the right to vote, the most basic right of citizenship.

Senator Marchand, through his presence over three decades on the national stage, has done what he set out to do. He has brought the voice of Canada's First Nations to centre stage. In so doing, he has taught all of us about a country which sometimes lost touch with a vital part of its national identity, and he has taught us about the meaning of hope and belief in the lives of a proud people as they struggle for release from the inequities of the past.

Most of all, he has been a symbol of the important truth that to aspire to great things in the future, our aboriginal peoples must not only act but dream, must not only dream but believe, because the great reality of all things Canadian is that the real soul of our country will only be returned to us by the First Nations, who hold the key.

Senator Marchand has asked me personally to recognize and thank all his colleagues, whom he will miss very much, for their long years of collaboration and friendship. He also wanted to be remembered, with deep warmth and gratitude, to the many people who serve this chamber and this institution with skill and dedication.

On behalf of all honourable senators, I wish Senator Marchand, his wife, Donna, and all the members of their family many years of good health and happiness in retirement.

Hon. Gerry St. Germain: Honourable senators, it is a true honour for me to rise today to pay tribute to a great British Columbian and great Canadian, none other than Leonard Stephen Marchand.

Senator Graham pointed out that he beat Davie Fulton. I do not think anyone ever really beat Davie Fulton or ever really beat Len Marchand. They were just resting and making the position available to each other. I would like to believe that anyway, on the part of both these gentlemen.

Senator Marchand's career in public service can best be described as ground-breaking. Senator Marchand was, for the lack of a better phrase, a pioneer in Canadian politics. He first got involved in politics in 1965 as a political assistant. At that time, I understand, he was the only political assistant of aboriginal heritage working in Ottawa.

Later, in 1968, he was elected to the House of Commons as the member for Kamloops—Cariboo. He was the first status Indian to be elected to the House of Commons and he went on to be re-elected twice.

Senator Marchand's career has profoundly affected the level of involvement of his people in the Canadian political system. His work, along with that of some other colleagues in this place, such as Senator Watt, Senator Adams and now Senator Chalifoux, demonstrates the importance and necessity of the contribution of our aboriginal Canadians and what a difference they can make in Canada's political system.

Many times when people are sent to Ottawa to represent their constituents, they end up representing Ottawa to their constituents. This, honourable senators, cannot be said about Senator Marchand. In fact, during his tenure, Senator Marchand had a dual responsibility, not only to represent the people of Kamloops and that area but also aboriginal Canadians from across Canada. Honourable senators, Senator Marchand did so with great dignity, pride and honour.

While Senator Marchand and I may not have agreed on all issues, I do know that he always put the interests of his people and his constituents above all else. I have great respect for his integrity. As well, I never believed that these differences that we had led to anything aggressive or were really a personal confrontation. We just had too much in common to allow small items to interfere with larger ones. When hunting elephants, we were never side-tracked by rabbit tracks.

We have already heard from Senator Graham about all the important work he has done on behalf of his people. I would like to highlight not only Len Marchand's sensitivity to his people but his sensitivity to the region he represented. It is very difficult to get the concerns of British Columbians heard in Ottawa — especially those of rural British Columbians. Over his 30 years in public life, Len Marchand has been a very effective voice in bringing the issues of rural British Columbia to the attention of those in power. He has been equally effective in effecting change that has been to the benefit of these same people.

While the loss of his presence to this great place will be immense, I do have empathy for his reasons for retiring. I can understand them, and I think most of us can. I do not believe that most Canadians, the media and even some senators have a full understanding of how difficult and taxing travelling between British Columbia and Ottawa can be on the human body. Jet lag is an ongoing state. Senator Marchand had been doing this for nearly 30 years, at the expense of his health and his family. Sometimes when those of us from British Columbia — or "Lotus Land" — are suffering from jet lag, our sanity is questioned. I always say that people like Len and the rest of us from Lotus Land have so much inner peace, coming from such a great place, that it is hard for the rest of the world to understand what we are talking about.

While Senator Marchand's work as a member of the Senate of Canada may be done, I know he will continue to work on behalf of his people. Recently, he has been involved, as Senator Graham pointed out, in a very important project, that of creating a monument to honour aboriginal veterans. I trust and hope that he will continue to provide his abilities, leadership and time to our country.

In closing, I can only say to his replacement, Senator Fitzpatrick, you, sir, have large moccasins to fill.

Hon. Dan Hays: Honourable senators, I should like to join in paying tribute to a friend, Len Marchand, with whom I was sworn in when I came to this chamber.

Len Marchand is a great storyteller. I am sure we have all shared in Len's stories. However, I cannot think of a single one of his stories that I could repeat here today. He had an incredible, earthy sense of humour that always hit on the point and he did it in a way that I shall always remember, even though I will not be able to repeat in places such as this.

• (1420)

I would also like to remember Len as Len the scientist. He had undergraduate and graduate degrees in agriculture, and must be one of the world's experts on *Artemisia tridentata*. Senator Graham mentioned his expertise on sage brush; for all I know, they are the same thing. Len often talked about that work that he had done, and it is sometimes easy to forget people's lives before coming to this place or the other place, both of which Len managed to do.

Senator Marchand made an extraordinary contribution as someone working for the Department of Agriculture, in an area of continuing importance to the region from which both he and I originate.

In conclusion, I pay tribute to Len and Donna as parents. I have had the privilege of knowing both of their children, Lori Anne and Leonard Stephen Jr. Len lived in Calgary and Lori lived in Alberta for some time, and are an extraordinary tribute to Len and Donna.

To Len and Donna, their children and grandchildren, I wish you all well in Len's years of retirement. Enjoy them. I hope that our paths will cross again soon.

Hon. Jeremiah S. Grafstein: Honourable senators, Canadians are often exhorted by leaders to ponder, and ponder yet again, two adjectives, "unique" or "distinct," that form such a tantalizing part of our current political lexicon, and which have now become embedded in the hieroglyphics of Canada. One could certainly apply those adjectives to our retiring senator and great friend, the Honourable Leonard Marchand.

Think, honourable senators, of his last name, Marchand, and of his roots as a member of that creative aboriginal community, the Okanagan tribe of British Columbia. Think of his storybook climb to public prominence and power from a one-room school house in Six Mile Creek, up through the Indian reserve school system, to the public high school system, to the University of British Columbia as a Bachelor of Science in agriculture, and then on to the University of Idaho for a Masters degree in forestry.

Think of Len as the first status Indian to graduate from his public high school, and the first status Indian to serve as a ministerial assistant in Ottawa. He was the first status Indian to become a member of Parliament, a parliamentary secretary and a minister of the Crown. Think of Len rising from those modest origins to become the Honorary Chief of the Okanagan tribe. Think what a unique and distinct blend of concentration, capability and courage it took to make that astonishing rise upwards.

I first met Len when I became a member of a small group in Ottawa I like to call the "Class of 1965." I joined other young Canadians who flocked to Ottawa to serve in the Pearson government as ministerial assistants. In fact, as I look around the chamber, I reflect on the fact that Senators Austin, Pitfield, Joyal, De Bané, Bosa and our recently appointed senator from British Columbia, Ross Fitzpatrick, all served in that so-called Class of 1965. We came from all parts of Canada, all walks of life, from different backgrounds, all bound by one common cause: to serve as proficiently and proudly as we could under Mr. Pearson's banner.

Len was a distinct and unique member of that unique and distinct class. Len worked first for the Honourable J.R. Nicholson and then the Honourable Arthur Laing, both Ministers of Indian Affairs. Both ministers were powerful and

shrewd political regional barons from British Columbia in the Pearson government.

Len came to Ottawa and quickly gained a reputation as a fast study in the corridors of power. As young ministerial assistants, we met often to discuss public and partisan business. Len was always quick, quiet, ambitious, articulate, incisive and judicious in all questions of political and policy matters and, most important, the political plans necessary to execute those ideas. He was also a great and calculated wit, as Senator Hays pointed out.

Though small in stature, Len possessed a quality rare in politicians: a vast storehouse of common sense that he would summon to each and every question that he addressed. Few of us could appreciate or understand then the incredible hurdles — both physical and personal — that Len overcame to climb the political ladder.

In Parliament, Len led on all issues related to the aboriginal community, where he remains a recognized and respected leader. As with the Okanagan tribe, he was always peaceful and productive. He spoke rarely in Parliament or the caucuses, but when he did, he cut to the quick of the problem with authority and precision.

We watched Len rise above his modest origins and his tribal community to serve a higher loyalty, the sometimes unfashionable loyalty to Queen and country. For Len was — and is — first and foremost a Canadian.

Honourable senators, may this not then be Len's lasting lesson to his tribal community and to his country. Let his career in Parliament, in the other place and in the Senate, serve both as a dream lodge to his community, and an admonition to those who wish to separate and bifurcate their loyalties and identities by dividing, fragmenting and so parsing the essence of Canada that the parts become particles. In turn, those particles form less than the whole. Beware, senators, for the Okanagan shaman can be a potent adversary against those who would divide the spirit and the body.

For me, Len's life serves as a living idea of Canada. Canada, like poetry, so organizes the fragments of ideas into a provoking, if imperfect, work in progress that we would know not what we have until there is a danger in the losing of it.

Len, as you return to private life and what we all hope will take you along the path to a healthier and happier hunting ground, may wind and water, fire and earth, sun and stars always be with you and yours.

Hon. Sharon Carstairs (Deputy Leader of the Government): Honourable senators, I have known and deeply admired Senator Len Marchand since we first met following his election as a member of Parliament in 1968. It has been an honour to have worked with him, both here in this chamber and within the Liberal Party where we worked together to establish the Liberal Party's Aboriginal Commission. We also worked together in this chamber where he chaired and I was a member of the Standing Senate Committee on Aboriginal Peoples.

His pride and heritage; his lifelong struggle on behalf of his people's rights and opportunities; his present work in raising funds for the National Aboriginal Memorial, all epitomize a man who has given all that he has to the cause of his people.

I will miss him in this chamber; however, I will not forget what I have learned from him. I have not walked in his moccasins, but he helped me to empathize with the pain. For that, I am deeply grateful.

Hon. Joyce Fairbairn: Honourable senators, Len and I were young people together on Parliament Hill, when he was an assistant many years ago, in the early 1960s, to the Honourable Arthur Laing, the then Minister of Indian and Northern Affairs and I was a young reporter in the parliamentary press gallery. Len was a person who broke down barriers and charted new courses for himself and for the people whom he always represented, the native people and the status Indians of this country.

Senator Marchand's contribution to Parliament and to Canada, and the understanding that he brought to other people about the problems and opportunities of aboriginal Canadians cannot possibly be overemphasized. He was, as others have said, a first.

Senator Marchand was the first aboriginal cabinet minister. He helped our party to establish the first Aboriginal Commission — and a first, I think, in any political party — and he certainly was a founding member of that movement within the Liberal Party of Canada.

• (1430)

Before I became a senator, Len Marchand, along with Senator Watt and Senator Adams had been working for a long time to have the interests of the aboriginal people of this country focused upon by this a committee of this chamber, a committee which would oversee their progress and highlight their concerns that are so important, whether in British Columbia or any other province in Canada. Oddly enough, honourable senators, the formation of that standing committee was a long, tough haul. Senator Marchand never gave up. I think it fitting that he should have had the opportunity to be the chairman of that committee.

Beyond all that, Len Marchand is a close friend. He has a sense of humour that I often reflected was one of his most outstanding qualities, because he maintained it in spite of the pain and the difficulty that surrounding the cause that he has and always will support. We have lost, in this chamber, through Len's early retirement, not only a friend but a powerful and compassionate spokesperson for the native peoples of Canada. I know he will never cease serving.

I will miss him a great deal. I wish him, Donna and their family the very best. I wish him good health. I could not possibly walk in the moccasins of Len Marchand, but he did a great deal to teach me how to walk in moccasins.

Hon. Jack Austin: Honourable senators, I served in the political process of this country with Len Marchand. We worked

together as assistants to a minister. He got himself elected to Parliament; I went in a different direction at that stage. He served as a minister, as I did at a different time. We both served in this chamber.

I can do little more than summarize Len Marchand's career. He served with great honour and integrity, and with great effectiveness. I count him as a friend and a colleague, and I wish him well. I certainly do not count him out of dabbling in our affairs in the weeks to come.

SENATORS STATEMENTS

FREEDOM OF SPEECH AND PARLIAMENTARY PROPRIETY

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, after the shameful display of using the Canadian flag as a symbol of their excessive immersion in self-righteous patriotism, the leader of the Reform Party and his seat-mate are now maliciously telling Canadians that appointments to this place have a price tag. The following quotations are taken from the House of Commons Hansard:

Does this not leave the impression that Senate seats are for sale?

The public ... is left with the impression that Senate seats are for sale.

Was it a downpayment on a seat in the Senate?

Air Canada, Canadian Airlines and the Prime Minister all seem to offer seat sales ...

This deal has all the appearances of the exchange of a business favour for a political favour.

Criticism of the Senate as an institution is widespread and shared by many of its members who recognize that Senate reform is long overdue. Unfounded smears and fallacious allegations aimed at its members, however, are completely unacceptable.

Freedom of speech should not be equated with excessive sordid rhetoric protected by parliamentary immunity. It is perhaps naive to expect an apology from the holier-than-thou preachers of parliamentary propriety. The least one can hope for, however, is that they stop doing damage to reputations on the basis of innuendo and insinuation and get back to the business of the country.

If they persist, however, they will agree to be identified with the late United States Senator Joseph McCarthy, the master of political witch-hunting in the early 1950s. While the leader of the Reform Party may take this as a compliment, he should remember that Senator McCarthy's excessive hounding of innocent fellow citizens was such that he was eventually censured and sacked by a triple-E Senate.

HUMAN RIGHTS

INTERNATIONAL DAY FOR THE ELIMINATION OF RACIAL DISCRIMINATION

Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition): Honourable senators, on Saturday, March 21, we mark the International Day for the Elimination of Racial Discrimination. This year it will be a special observation, given that it takes place within the year of the fiftieth anniversary of the Universal Declaration of Human Rights.

The International Convention on the Elimination of Racial Discrimination and Protection of Minorities grew out of the Universal Declaration. March 21 is the day chosen by the world community to mark the ongoing vigilance to ensure that racial discrimination has no place, because it was on March 21, in Sharpeville, South Africa, that the horrendous massacre occurred caused by a whole system of governance that was based on racism.

The International Day for the Elimination of Racial Discrimination will be marked on Saturday. I am sure all members of this house will take note of the day and underscore the importance of that value which is key and core to our many Canadian values. Racism has no place in this society.

[Translation]

NATIONAL FRANCOPHONIE WEEK

Hon. Rose-Marie Losier-Cool: Honourable senators, this week we are celebrating National Francophonie Week and, tomorrow, March 20, a number of activities will be held to mark International Francophonie Week. I would like today to give you several examples of what the francophone community means in various parts of Canada. I must limit myself in my examples for lack of time.

The word francophone suggests to me words like generosity, necessity, diversity and vitality. And this vitality may be found among the over 53,000 francophones in Alberta.

This community is continually growing, economically solid, highly organized and structured in a way that allows Alberta francophones to feel at home in Edmonton, Calgary or even Lac La Biche. The perseverance and dynamism of these francophones have enabled them to establish French school boards, thereby assuring the community of a French education right up to university.

Thanks to the attentive ear of the government, some francophone MPs and a number of francophile representatives, Franco-Albertans hope to have health services provided in French soon.

On the other side of the Rockies, in British Columbia, francophones have been a presence since the Mackenzie expedition in 1793. In 1850, in B.C., 60 per cent of the population of European origin spoke French. Francophones were responsible for the first hospital, the first convent and the first newspaper in British Columbia.

In 1996, 53,040 people claimed French as their mother tongue. This figure represents 1.5 per cent of B.C.'s population.

Legal proceedings have forced the provincial government to establish French school boards. However, francophones in British Columbia must continually struggle against the classic statement by their government: "There are not enough of you."

On the Atlantic Coast, the 2,500 Newfoundland francophones cheered Premier Brian Tobin's commitment to provide them with the same quality of education as the majority following the education reform in Newfoundland.

But this Canadian Francophonie is also a reality. Despite the gains made across the country, the francophone community has had to deal with failure at times, too. In New Brunswick, the only officially bilingual province, for example, we might think that everything is cast in stone. But no. People in some parts, such as Miramichi, are still having to fight for health services in French.

In conclusion, francophones across the country rely on the vitality flowing from the francophone majority in the province of Quebec. This majority is an integral part of la Francophonie in Canada and, through its size and structures, is a political force for francophones throughout the country.

Canada allows this majority to keep its separate identity, and this majority allows Canada to continue to extend its influence. Writer Antonine Maillet compares this Francophonie to a symphony. That is how I see it, too.

Hon. Lucie Pépin: Honourable senators, as our colleague Senator Losier-Cool so eloquently pointed out, tomorrow marks the Journée internationale de la Francophonie in Canada and in all countries of the international French-speaking community.

La Francophonie is part and parcel of Canada's foreign policy and enables all Canadians to benefit from this openness to the world and the cordial relations we have established with French-speaking nations on all continents. La Francophonie also gives us an opportunity to reveal to the rest of the world the unique traits of the Canadian personality.

As one of the most active members of this multilateral assembly, we will continue to support the fundamental values shared by Canadians, such as democracy, human rights, and especially the rights of women and children.

I call on all senators in this Chamber to join with me in wishing all French-speaking Canadians a wonderful Journée internationale de la Francophonie tomorrow, March 20.

THE BUDGET 1998

CLARIFICATION OF PREVIOUS STATEMENT

Hon. Roch Bolduc: Honourable senators, I implied yesterday that the government's forecasting errors stemmed from errors with respect to statutory expenditures. This is still true regarding the seven per cent, except that I said that the difference stemmed, in large part, from erroneous demographic forecasts. This is inaccurate. The Standing Committee on National Finance was informed this morning that this was in fact the result of the very safe cushion used by the Minister of Finance when measuring interest rates over the next 18 months. I therefore wish to correct this part of my speech.

[English]

HUMAN RIGHTS

RACIAL DISCRIMINATION IN JUSTICE SYSTEM IN NOVA SCOTIA

Hon. Donald H. Oliver: Honourable senators, I rise today to make a brief comment on two separate but distinct reports that have been brought to my attention that deal with issues of racial discrimination within the justice system of Nova Scotia.

The first is a report entitled "Pursuing the Law: the experience and perceptions of African, East Indian and Caucasian Canadians in becoming lawyers and in practice in Nova Scotia." This report highlights the extent to which racism and bigotry infect the justice system in Nova Scotia.

Prepared for the Nova Scotia Barristers Society, this report reflects the conclusions of the 1989 Royal Commission on the Donald Marshall Jr. Prosecution, namely, that Black and Mi'kmaq Nova Scotians have been denied justice and prevented from realizing their full potential because of racism that is pervasive throughout society in general and in the legal system in particular.

Nine years after that royal commission report released its findings, it is clear that little has changed. In 1989, the Marshall inquiry reported there were no Mi'kmaq lawyers in the province. In 1997 this situation remains unchanged.

This study shows that visible minority lawyers earn substantially less than their white counterparts. Of those surveyed, visible minorities reported that they were employed by smaller firms. None of the visible minorities surveyed worked for a medium or large firm of 11 lawyers or more. This report also comments that:

The behaviour of judges is increasingly held up to public scrutiny, particularly when sexist or racist pronouncements suggest that certain judges are seriously out of touch with current attitudes.

The second matter brought to my attention from the Nova Scotia Barristers Society proves that they did not ignore this

report. They have not allowed it to gather dust on some bookshelf. Instead, they have responded positively by hiring an equity officer. Not only is this a first for Nova Scotia, but they are the first law society in Canada to do so. The Nova Scotia Barristers Society is taking a brave new step forward.

The society has also announced an exciting new initiative called "The African Canadian and Aboriginal Student Mentorship Program." This program has four goals: to increase the number of African Canadian and aboriginal lawyers practising in Nova Scotia; to provide law firms the opportunity to benefit from exposure to and the work produced by African Canadian and aboriginal students; to provide African Canadian and aboriginal law students the opportunity to benefit from discussions with practising lawyers; and finally, to provide law firms with a pool of highly competitive graduates.

Early indications are that the program has been well received and that it is off to a good start. I commend the Nova Scotia Barristers Society for taking this vital first step towards correcting 200 years of injustice.

ROUTINE PROCEEDINGS

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

FOURTEENTH REPORT OF COMMITTEE ADOPTED

Hon. Bill Rompkey, Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report

Thursday, March 19, 1998

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

FOURTEENTH REPORT

Your Committee has examined and approved the budget presented to it by the Standing Committees on Agriculture and Forestry for the proposed expenditures of the said Committee for the fiscal year ending March 31, 1998:

Professional and Special Services	\$ 30,000
Transport and Communications	146,594
All Other Expenditures	<u>6,500</u>
TOTAL	\$ 183,394

Respectfully submitted,

WILLIAM ROMPKEY
Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Rompkey: With leave, now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

On motion of Senator Rompkey, with leave of the Senate and notwithstanding rule 58(1)(g), report adopted.

FIFTEENTH REPORT OF COMMITTEE ADOPTED

Hon. Bill Rompkey, Chair of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Thursday, March 19, 1998

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

FIFTEENTH REPORT

Your Committee has examined and approved the budget presented to it by the Standing Committees on Agriculture and Forestry for the proposed expenditures of the said Committee for the fiscal year ending March 31, 1999:

Professional and Special Services	\$ 18,400
Transport and Communications	13,049
All Other Expenditures	<u>5,500</u>
TOTAL	\$ 36,949

Respectfully submitted,

WILLIAM ROMPKEY
Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Rompkey: With leave, now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

On motion of Senator Rompkey, with leave of the Senate and notwithstanding rule 58(1)(g), report adopted.

[*Translation*]

ADJOURNMENT

Hon. Sharon Carstairs (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until next Tuesday, March 24, 1998, at two o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

[*English*]

• (1450)

SMALL BUSINESS LOANS ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-21, to amend the Small Business Loans Act.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading on Wednesday next, March 25, 1998.

INTERNATIONAL SUMMIT OF SEXUALLY EXPLOITED CHILDREN AND YOUTH

NOTICE OF INQUIRY

Hon. Landon Pearson: Honourable senators, I give notice that on Thursday next, March 26, 1998, I will call the attention of the Senate to the results of the International Summit of Sexually Exploited Children and Youth, held in Victoria from March 7 to March 12.

QUESTION PERIOD

THE BUDGET

CUTS TO CHST PAYMENTS—EFFECTS ON HEALTH CARE DELIVERY SYSTEM IN NOVA SCOTIA—GOVERNMENT POSITION

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. There are reports of families waiting eight hours to have a child examined at a Halifax hospital. In another instance, Alice Penny, who was in hospital being treated for pneumonia, had to leave hospital and return home to care for her husband, who had twice been refused admission to hospital while he was suffering from pneumonia and elevated blood sugar levels due to diabetes.

What specific relief does the latest budget offer to the health care system in Nova Scotia?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, as my honourable friend would know — because he would have examined the budget very carefully — 40 per cent of the new spending in the budget is for increased transfers to the provinces, specifically with respect to health care delivery services.

As I mentioned yesterday, the provincial government has announced that it will increase spending in health care delivery services during the fiscal year by the sum of \$80 million. If you look at the overall transfers, including the CHST and transfer payments to the provinces, they amount to a net increase for the province of Nova Scotia of some \$133 million.

Senator Oliver: Could the honourable senator comment on what I understand to be the facts, namely, that over the next four years Nova Scotia will receive \$8 million less in the cash portion of the CHST in 2001 than it did in 1997-98? Does the minister support Nova Scotia receiving less money for health care and education over the next four years? If not, how did he and the Premier of Nova Scotia allow this to happen?

Senator Graham: Honourable senators, as he has demonstrated on many occasions, the Honourable Senator Oliver is a student of fiscal matters. However, one must take the picture in totality and look at the various aspects of the transfers. It is true that the cash transfers are down, but one must also look at the tax point transfers, which are up. The total CHST transfers are down, but the equalization payments are up. That makes up the total increase of \$133 million.

POST-SECONDARY EDUCATION

ESTABLISHMENT OF MILLENNIUM SCHOLARSHIP FUND— LIAISON OF FOUNDATION MANAGEMENT WITH PROVINCES— GOVERNMENT POSITION

Hon. Consiglio Di Nino: Honourable senators, the recent budget announced the Millennium Scholarship Program. As we start to understand how this program is being developed, we will be asking many questions of the Leader of the Government in the Senate. I should like to start with one today.

As one who did not pursue a university education because of the obstacles which existed at that time — and I was looking at this possibility in the fifties, when the financial obstacles were great — I know of the tremendous challenges faced by students trying to finance a post-secondary education. In this regard, it is my opinion that the spirit of the millennium scholarship initiative is laudable. In many respects, however, it is deficient.

One such respect is the mechanism of delivery being used by the government. As outlined in the 1998 budget, the federal government will manage and administer the funds through an arm's length body called the Canada Millennium Fund Foundation. This agency will decide how to design and deliver the scholarships, as well as determine the number and value of scholarships to be awarded to each applicant.

Would the Leader of the Government in the Senate indicate to what extent this foundation will liaise with the provinces and post-secondary institutions in order to determine the most efficient manner in which to bestow awards?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, the honourable senator has pointed out that the foundation will be an arm's length body with no direct ties to the federal government. It will be managed by a board of directors composed of citizens.

Senator Di Nino: Liberals?

Senator Graham: I beg your pardon?

Senator Di Nino: Liberal citizens?

Senator Graham: I did not say "Liberals." If the honourable senators wants to assume that all sound- and good-thinking Canadians are Liberals, that is his option.

I have been assured that the board of directors will include a good cross-section of people representing the various disciplines in our country.

The government has been providing scholarships directly to students right across Canada for about 20 years now through its granting councils. I can think of the Medical Research Council, the Natural Sciences and Engineering Research Council and the Social Science and the Humanities Research Council, to mention just a few.

I anticipate that there will be continuing consultation with the provinces and with the provincial ministers of education to ensure that the taxpayers of Canada will receive full benefit for the dollars that are spent in one of the most imaginative and positive programs that has ever been introduced for young people in our country.

UNIQUENESS OF CANADA MILLENNIUM SCHOLARSHIP FOUNDATION—GOVERNMENT POSITION

Hon. Consiglio Di Nino: Honourable senators, on a supplementary question, this imaginative program will take two years to put together before any student will receive a nickel. That takes a lot of imagination!

Duplication of services is a costly and unnecessary financial burden on Canadian taxpayers. Will the minister explain to us what special function this foundation serves which could not be provided by provinces and institutions already in place? In other words, what unique service does the federally appointed board provide that is not already available through the provinces or other concerned institutions?

• (1500)

Hon. Donald H. Oliver: Good question!

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, the Honourable Senator Oliver is correct. It is an extremely good question.

The Government of Canada wants to ensure that all students who are qualified will have an opportunity to receive these scholarships. It will not be left to provincial governments alone to decide who the beneficiaries will be. The foundation itself will help to bring down the financial barriers that are preventing some young Canadians from pursuing higher education, and certainly will increase opportunities for Canadians.

We recognize that education comes under provincial jurisdiction, and that curricula, institutions and teaching quality are the responsibility of the provincial governments, but there is nothing to prevent the Government of Canada from sharing the benefits of being Canadian with young Canadians who aspire to improve their lot in life.

Senator Di Nino: Did I understand the leader to say that the foundation will be mandated to consult widely with the provincial bodies as well as educational institutions? If that is so, is it correct to say that this government is willing to consult with Canadians before acting unilaterally?

Senator Graham: The answer is a very positive yes.

CONTINUING INCREASE IN UNIVERSITY TUITION FEES—
GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, I should like to ask a further question regarding education funding for students.

Is the Leader of the Government in the Senate aware that tuition fees have risen by 43 per cent since his government took office?

Hon. B. Alasdair Graham (Leader of the Government): That must be in Manitoba.

Hon. Sharon Carstairs (Deputy Leader of the Government): They have risen 100 per cent in Manitoba, with a Tory government.

Senator Graham: Honourable senators, I am aware that tuition fees have risen across the country. As to the specific numbers in various provinces, I would leave it to my honourable friend to explain to us further if he has the specific numbers, and I would be happy to respond if a response is appropriate.

Senator Stratton: What does this millennium fund do for those students who are leaving universities today with debt that is the equivalent of a mortgage on a house, except that they do not get the house?

Senator Graham: Honourable senators, this is called the Millennium Scholarship Fund. The millennium, for the edification of my honourable friend, is not for two years.

Hon. John Lynch-Staunton (Leader of the Opposition): Why is it in the budget, then?

Senator Graham: I think the Government of Canada should be congratulated for its imagination, and for taking this kind of initiative. I am sure my honourable friends opposite only wish they had thought of it when they were in office.

INCREASES IN UNIVERSITY TUITION FEES—
REPRESENTATION BY QUEBEC STUDENTS TO MINISTER OF
INTERGOVERNMENTAL AFFAIRS—GOVERNMENT RESPONSE

Hon. Lowell Murray: Honourable senators, as a supplementary to the scholarships question, has the government taken note of the quite serious representations that were made, as recently as yesterday, to the Honourable Stéphane Dion by students at the Université de Montréal? They pointed out to Mr. Dion that while tuition fees are always a problem, they are less of a problem in Quebec than they are in other provinces of Canada. They therefore argued that the available moneys could be put to better use by the provincial government and by the universities to ensure a better quality of education for the students who are there.

What is the reply of the government to those representations?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, it is the view of the government that it should provide these moneys, these scholarships, these benefits, these opportunities, directly to the students, in response to the hundreds — indeed thousands — of requests that have been made by the young people of this country. We do not want to differentiate between the opportunities that are offered to a student, whether they be in Ontario, or Newfoundland, or Nova Scotia, or Quebec. It has been determined that the best way to help these students is by direct assistance.

Senator Murray: Surely the minister will agree that the situations are different, on the word of the students themselves. As we have heard today, tuition fees are obviously a serious problem in some provinces, but a less serious problem in Quebec where, the students say, the money could be put to better use in the hands of the universities themselves.

Senator Graham: The government has been granting scholarships directly to Quebec graduate students, as my honourable friend would know, through the granting councils, and has been doing so since as far back as 1917.

Senator Murray: What has that to do with it?

Senator Graham: Quebec graduate students and university-based researchers receive about one-quarter to one-third of all funding for scholarships and grants from granting councils, depending upon the council. This is not something new. It is something that has been done on a continuing basis.

The millennium scholarship is new, and should be given on an equal basis, with equal opportunities for students, no matter where they live in Canada.

[Translation]

Hon. Roch Bolduc: The Leader of the Government speaks to us of the Canadian millennium scholarships. That is not what we are talking about; we are talking about the system of student bursaries. It seems to me that we have had a system in Quebec since 1966 which works very well. This system allocates part of its funds to bursaries and part to loans, according to which the students want. The students are satisfied and they pay back their loans. What more could anyone want?

It seems to me that this is a totally different system than in the other provinces. What the students want is for the government to hand over the money and put it where the most pressing needs are. The government cannot claim that the students are against anything suggested to them. I cannot understand the comments by the Leader of the Government in the Senate.

[English]

Senator Graham: Honourable senators, I guess it is a matter of a difference of opinion between some honourable senators and others, and those who have devised the funds. We have listened to representations from students in Quebec and in every part of the country. We are providing an equal opportunity for all of them, no matter where they live.

ANSWERS TO ORDER PAPER QUESTIONS TABLED

ENERGY—SECRETARY OF STATE FOR PARKS—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 43 on the Order Paper—by Senator Kenny.

ENERGY—SCIENCE, RESEARCH AND DEVELOPMENT—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 53 on the Order Paper—by Senator Kenny.

ORDERS OF THE DAY

DEPOSITORY BILLS AND NOTES BILL

THIRD READING

Hon. Sharon Carstairs (Deputy Leader of the Government) moved the third reading of Bill S-9, respecting depository bills and depository notes and to amend the Financial Administration Act.

Motion agreed to and bill read third time and passed.

CANADA-YUKON OIL AND GAS ACCORD IMPLEMENTATION BILL

SECOND READING—DEBATE ADJOURNED

Hon. Paul Lucier moved the second reading of Bill C-8, respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas.

He said: Honourable senators, I rise to address you today on Bill C-8, the Canada-Yukon Oil and Gas Accord Implementation Act. This year, 1998, is very special year for the Yukon. You will recall that the Klondike Gold Rush took place exactly 100 years ago, in 1898. The gold rush brought people from every part of the world to Dawson City, which today is one of the great historic sites in Canada. At the time it was the largest Canadian city west of Winnipeg. The lure of gold was astounding. The people who came through Skagway, Alaska, or the few who came from Edmonton, suffered many hardships along the way. The gold, incidentally, was discovered by George Carmack, his Indian wife, Kate, and her brothers, Skookum Jim and Tagish Charley, all from the Carcross-Tagish area near Whitehorse.

• (1510)

I take this opportunity to invite all senators and their families to visit the Yukon during our centennial year. You will be well received and certainly will enjoy our great territory.

I am extremely pleased to speak in support of this legislation which moves forward the devolution process taking place in the Yukon. Bill C-8 provides for the transfer of the administration and control of on-shore oil and gas resources from the federal government to the Yukon government. It will also grant the territorial government the authority to legislate in regard to those resources.

I know honourable senators will want to join me in supporting and applauding the territorial government's ambition to take on these new provincial-type responsibilities. The exercise of these functions and powers will become increasingly important as new oil and gas developments proceed in the Yukon. In other words, the time has come that decisions for Yukoners be made in Whitehorse, not in Ottawa. The Government of Canada supports efforts to place responsibility for northern issues where it belongs, at the local level. That is why the devolution of all remaining provincial-type powers and programs to the Yukon government continue to be a priority.

The first effort toward devolution to the Yukon territory started in the 1980s when a number of responsibilities were transferred to the territory. The territorial government now delivers a number of programs, such as education, health, and economic development. The current government is committed to

continuing this process in a planned and well-ordered manner. However, the process of transferring responsibilities is far from complete. The federal government still manages Crown lands, forestry, water, and is responsible for the management of environmental issues, mines and minerals, and, of course, oil and gas.

For Yukoners, the transfer of responsibility for natural resources is key to their political evolution. Yukoners recognize that resource development will form the basis of a strong and robust territorial economy in the 21st century. The Yukon territorial government has said that now is an appropriate time to begin to assume responsibility for administering and controlling natural resources. The Government of Canada is in agreement and supports the devolution of administration and control of oil and gas to Yukon.

Let me take a moment to explain what the transfer of oil and gas will mean to Yukon and its economy. The Yukon's oil and gas resources are largely untapped, but not because of a lack of interest. Uncertainty over land and resource ownership has deterred development in Yukon for more than 20 years. This is changing. The passing of the land claims legislation in 1994, our ongoing negotiations with Yukon First Nations, and the finalization of the remaining land claims in the near future will set the basis for a renewal of oil and gas activities. On the date of the transfer, the federal government will pay to the Yukon the moneys it has collected in petroleum revenues from on-shore Yukon. Once the transfer is complete, Yukon will receive the annual revenues from the Kotaneelee project, approximately \$1.5 million per year. These revenues will be shared with the six Yukon First Nations that have land claim agreements in effect. Once the transfer of responsibility and funding is completed, the federal government will no longer be directly involved in managing on-shore oil and gas resources in Yukon. It will be done at the territorial level. However, the offshore areas will continue to be under the jurisdiction of the federal government, and the federal regime will continue to apply.

Territorial legislation will be passed to establish a new regime for managing and regulating oil and gas activities. This legislation will address exploration, development, conservation, environmental and safety issues, as well as a collection of resource revenues. The replacement of federal legislation by territorial legislation will take place simultaneously with the transfer of administration of oil and gas.

The Yukon territorial government has offered its unqualified support for Bill C-8. This is viewed as a landmark bill in the territory because it will give Yukoners the authority to establish their own oil and gas regime and to collect revenues from oil and gas development. In addition, Yukon has determined the pace for change, and it has said that now is the right time for it to take control over administering its oil and gas resources.

Yukon First Nations also support this bill. Once implemented, the legislation will provide stable, predictable revenue to Yukon First Nations with signed land claims agreements which will help to nurture their autonomy and economic independence. In effect, this bill also helps the government to meet its objectives under "Gathering Strength, Canada's Aboriginal Action Plan." One of Gathering Strength's objectives is strong support for communities, people, and economies. By providing oil and gas revenues to the Yukon First Nations with signed land claims agreements, Bill C-8 helps us bring real and practical improvements to communities.

Yukon First Nations and the Yukon government are presently working cooperatively to develop a common oil and gas regime for Yukon, and we should applaud their efforts. This is a historic development that bodes well for future development in Yukon and for further devolution of powers to Yukon. This degree of cooperation has evolved from the years of consultations that both federal and Yukon governments have undertaken in order to develop the oil and gas transfer proposal and this bill.

The bill is also supported by industry. Bill C-8 will contribute to certainty, predictability, and a stable environment, which will help attract new projects and business to the region. Existing oil and gas rights, titles and interests will be protected and will not be diminished by the new regime.

Given the wide support of this important initiative, I urge honourable senators to join me in supporting this bill. Passage of this bill will send a strong message of respect and confidence to all Yukoners.

Hon. Consiglio Di Nino: Honourable senators, I have a question. I do not want to speak to the substance of the bill. I am in support of it generally. I look forward to some of the comments that will be made during the study of the bill in committee.

Senator Lucier expressed an interest in seeing all of us come to the Yukon. He extended an invitation for us to visit. The invitation is gratefully acknowledged. As long as he is paying the bills, we will all come.

I am not sure the honourable senator can answer my question, but let me put it on the record anyway. Why does it cost me so much to visit the marvellous, beautiful land of Northern Canada, whether east or west? I can fly Europe or the U.S.A. for a fraction of the cost to go and visit the honourable senator and all the other friends we have in the Yukon. Perhaps he can share with us some thoughts or express some frustrations of his own on this issue.

• (1520)

Senator Lucier: First, the honourable senator is invited, and we would like to see him come up there. I know he has already been there and has friends in the Yukon.

My temptation is to say that the costs are so high because of the GST, but I will not say that. I will say that it is a frustration that, as you can well imagine, is shared by people of the Yukon. For the people of the Yukon who must come out a certain number of times per year to do business, the plane fares really are scary. From Whitehorse to Vancouver alone, I believe the fare is around \$1,000 for one person. That is much too high.

I do not have the answers. We hope you will find a way to overcome this problem and come and visit us in the Yukon.

On motion of Senator DeWare, on behalf of Senator Spivak, debate adjourned.

EXCISE TAX ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Di Nino, seconded by the Honourable Senator Kinsella, for the second reading of Bill S-10, to amend the Excise Tax Act.

Hon. Sharon Carstairs (Deputy Leader of the Government): Honourable senators, I am pleased to rise today to participate in the debate on second reading of Bill S-10, to amend the Excise Tax Act. This is Senator Di Nino's private member's bill. This bill is short and, I might add, to the point. My comments will be equally so.

The bill seeks to amend Schedule VI of the Excise Tax Act by adding:

A supply of any book, periodical literature or other reading material.

The effect of the passage of this bill would be to exclude all reading material from the application of the Goods and Services Tax.

Let me state from the very beginning that I support the principle of this bill. As a former teacher, I could not do otherwise and still hold up my head in meetings with other teachers. However, I would like to raise a matter which I hope the committee will study.

I am concerned about the definition of "reading material." What exactly would be encompassed by this bill? For instance, most books are good and valuable. I for one would be very loath to censor any book, periodical or reading material. However, the GST is placed on many items and I would personally object to the removal of the GST on pornographic books, for example, while at the same time leaving the GST on disposable diapers. I would also object to the removal of the GST from *Playboy* or *Playgirl* magazines while leaving it on children's puzzles which I know to be essential for reading readiness.

Recently, in this chamber, both Senators Tkachuk and Kinsella raised questions of privilege when tables were published on the Internet by the Department of Finance concerning the changes to the CPP which had not yet been approved by this chamber and without a proper disclaimer to that effect. They were correct in their concern. It was quite wrong for a government department to place this item on the Internet without acknowledging that Parliament had not yet approved the changes. However, honourable senators, that raises a most interesting question.

Are all of the materials that we now have on our computers and on the Internet, reading materials? Would the meaning of reading material in this bill include, for example, computer programs? Two years ago, I was delighted to visit a school in Senator Adam's area of Rankin Inlet. I walked into the classroom and all the little seven or eight year olds, were working on a computer program. They were all learning to read in English, and not from the so-called "printed" material but from a computer program. Would these programs be exempted from the GST under this bill and, if not, then where would be the equality, I would suggest, between those programs and other so-called "reading material"?

I would like the committee to consider the question of exactly how broad is this exemption and what would be the revenue implications if "reading material" was given the widest possible definition?

Honourable senators, as a former teacher, I cannot undervalue the importance of learning to read. Reading opens a whole world of opportunities for people of all socio-economic classes. I remember when my youngest daughter, Jennifer, went to Grade 1, the teacher asked her if she was going to learn to read. Jennifer announced very firmly that, in her family, she had no choice.

We want to encourage our children to read. Some children are natural readers and some are not. My oldest daughter, Catherine, was indeed a natural reader. We have always wondered if it was because she insisted, at the age of two, on sleeping with her books in her crib. She seemed to take great delight in annoying her parents when something was missing from the pile. We knew this child did not know how to read at the age of two, but she clearly had some sense of perception and if all of the books were not there, there was quite a squeal until they were produced. She was not a TV watcher. She still is not.

Conversely, it was not an easy task to introduce my youngest daughter to the process of learning how to read. I have been thanking James Herriot for many years for producing books on animals because that is how we got her hooked. It is important that all children be exposed to a love of literature at a very young age.

I look forward to the deliberations of this committee.

The Hon. the Speaker: If the Honourable Senator Di Nino speaks now, his speech will have the effect of closing debate on the second reading of this bill.

Hon. Consiglio Di Nino: Honourable senators, I am happy to yield to anyone who wishes to speak, but if no one else does, then I move that this bill be read the second time now.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Di Nino, bill be referred to the Standing Senate Committee on Social Affairs, Science and Technology.

POST-SECONDARY EDUCATION

CONSIDERATION OF FINAL REPORT OF SPECIAL COMMITTEE—
DEBATE CONTINUED

On the Order:

Resuming debate on the consideration of the final report of the Special Senate Committee on Post-Secondary Education, tabled in the Senate on December 16, 1997.

Hon. Catherine Callbeck: Honourable senators, I am pleased to offer my comments on the report of the Special Committee on Post-Secondary Education. My first comments are direct to the members of the committee and the staff who assisted them in drafting the report. They are to be commended for the important work they did in exploring a topic of national interest and importance. The report is another example of how this house can bring deeper understanding to public issues.

I would congratulate the committee for presenting a carefully thought out document and for submitting some urgent and practical recommendations. Before I proceed further, I would pay tribute to Lorne Bonnell, the architect of this report, who recently retired from the upper chamber after a long and distinguished career as a medical doctor and parliamentarian.

I have known Dr. Bonnell for close to 30 years. The zeal with which he undertakes projects is clearly evident in this timely and vital document.

• (1530)

In the preface, he writes that the future of any nation lies in the education of its youth and the lifetime learning of its citizens. It is a wise observation, for we need only look to the state of higher education today to get a preview of our country's competitive strength two and three decades hence. This is why this report

stands out in importance, and why its recommendations deserve our attention.

Since the report was published, the government has demonstrated its commitment to education for young Canadians and others who need mid-career upgrading and retraining. As the new budget specified, the \$2.5 billion Canada Millennium Scholarship Foundation will be augmented by other education-related initiatives. They include tax relief for interest on student loans, tax-free RRSP withdrawals for lifetime learning, and the Canada Education Savings Grant that provides initiatives to save for a child's education.

Our predecessors understood the value of learning, and they pioneered our universities. Particularly in the last 50 years, we have seen a tremendous development in the post-secondary sector. There has been an explosion in the number of colleges and universities, and those institutions have demonstrated the ability to adapt to new circumstances and to meet new challenges.

The President of McGill University, Dr. Robert Shapiro, said last year:

The capacity of Canada's universities to reinvent themselves over time is quite stunning.

The President of York University, Dr. Lorna Marsden, has remarked:

We have now invented —

— in Canada —

— a type of university that combines the ancient traditions of learning with the preparation of Canadians for the community and the labour market. We do both, and we do them both well.

Good, accessible, higher education is one of the things that makes Canada Canada. It is no accident that a nation with such a strong network of post-secondary schools offers a quality of life that ranks among the best in the world. The two go hand in hand. Our rate of participation in higher education is the best of the OECD nations. Forty-six per cent of Canadians between the ages of 25 and 64 now have some post-secondary education. Two million people will pursue some form of study this year. However, faculties and administrations are facing pressing problems — funding cuts, shrinking staff, buildings in need of repair, and less money for libraries and research — but universities have initiated measures to cope with limited resources.

Honourable senators, I know that some may say education is not a federal matter, that it is a provincial one. However, try telling that to students. Try looking into the faces of young people who want to learn but who are worried about whether they can afford to. Try telling them their problems are not our jurisdiction. I do not think that is the approach we want to take.

I believe the Minister of Finance has presented the correct view in recent speeches by stating that education is clearly a provincial matter, yet one in which every level of government has an interest. Providing our citizens with the education they need to enter the economic mainstream must be a shared national goal.

Never in the history of this country has education been so important, and never have we faced the situation that we face today. If we fail to act, for the first time we may begin producing generations of Canadians who are less well-educated than the previous generations. This is not acceptable.

There is an expression that says: One of the great tests of a nation is the kind of world it leaves to its children; yet the opposite is just as true. The great test of a nation is the kind of children it leaves to the world. Surely we want our youth of today to be the best educated generation that we have ever produced. We cannot settle for less.

Let me turn to some of the recommendations in the report. There are two areas which tie all the others together: accessibility and quality.

One of the turning points in many people's lives comes when they pursue higher education. Being from Atlantic Canada, I am proud to say that young people from my region are choosing to continue their studies beyond high school in greater numbers than ever before. A survey for the Maritime Provinces Higher Education Commission found that 82 per cent of last year's high school graduates plan to continue their education. Just 10 years ago, only 13 per cent of young people in the Maritimes were enrolled at university. Today, that number has doubled.

Clearly, we are succeeding in getting the message through to our youth that they must stay in school if they are to have an edge in today's world, but that message must not be undermined by escalating costs that put education beyond their ability to pay.

A witness from Atlantic Canada at a Senate committee hearing said that post-secondary education is becoming a luxury that many cannot afford. We must not let this happen. Canada needs highly educated young people. This should be uppermost in our minds as we move from a budget deficit to a budget surplus.

Do not misunderstand me: I do not think this is the time for a spending binge, but it is time to consider some careful investments in areas that are crucial to our economic success.

Someone once said: "Education costs money...but, then, so does ignorance." That is why I was pleased to hear of the Prime Minister's Millennium Scholarship Fund. The fund will not just award academic achievement, but will assist moderate- and low-income Canadians to attend college and university. Along with other budget initiatives I mentioned at the outset, education is being given the prominence it deserves, and what better way to start a new century!

A Senate committee, to its credit, has put forward other ideas to ease the debt burden on students. Among the ideas are tax incentives for work study programs; special grants for students with high needs; accepting community service as partial repayment for student loans. I have no hesitation in supporting these proposals.

Honourable senators, I am pleased that the committee mentioned the value of international education, a subject of particular interest to Prince Edward Island. Having had the privilege of taking part in two Team Canada missions, I know some of the exciting opportunities that exist overseas for Canadian universities.

Prince Edward Island has made some important strides in this regard. In the last five years, the number of foreign students at the Atlantic Veterinarian College in Charlottetown has grown steadily. Today, nearly one in five vet. college students in Prince Edward Island comes from a foreign country. Last year, our university established a centre for international education to place university graduates from across Canada in teaching positions overseas. Our technical college, Holland College, exports educational programs. There are colleges in China that are using a special learning model pioneered at Holland College.

I wish to commend the committee for advocating a new national effort for more involvement in all aspects of international education. There are tremendous benefits to be gained, both culturally and economically.

Honourable senators, in conclusion, let me refer to something the Prime Minister said in a speech last year, and I quote:

One of the most important things that —

— we —

— must do is to equip Canadians to compete in a changing world. A highly educated workforce is the single best guarantee of Canada's prosperity in the next century.

We can take pride in the kind of higher education system this country has produced. We owe a debt of gratitude to the people who have made it one of our great achievements. In some other countries, higher education is limited to the rich and the brilliant. Not in Canada. It is a hallmark of our network of post-secondary schools that education is accessible to average families all across the country. Again, honourable senators, I believe that commitment is here to stay with the advent of Budget 1998, the "education budget" from the Minister of Finance, Paul Martin.

Higher education is a stepping stone for about 100,000 fresh students who arrive on our campuses every year. They are our future. In short, advanced learning is a precious resource that, in the words of Dr. Lorne Bonnell, will "keep our country among the world's leading nations."

As parliamentarians, we must commit ourselves to ensuring that Canada's higher education system prevails at the pinnacle of excellence.

On motion of Senator Carstairs, for Senator Forest, debate adjourned.

CANADIAN WAR MUSEUM

REPORT OF SOCIAL AFFAIRS, SCIENCE
AND TECHNOLOGY COMMITTEE ADOPTED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Social Affairs, Science and Technology (budget—study on the future of the Canadian War Museum), presented in the Senate on February 25, 1998.

Hon. Lowell Murray: Honourable senators, this is a modest budget by the Subcommittee on Veterans Affairs, enabling them to complete their work on the Canadian War Museum. The work is virtually completed, but they do not exclude the possibility of having some further hearings and, of course, the report still must be prepared. I commend this modest budget to the support of colleagues.

The Hon. the Acting Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

THE BUDGET 1998

STATEMENT OF MINISTER OF FINANCE—INQUIRY—
DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Stratton calling the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 24, 1998.—(*Honourable Senator Stratton*).

Hon. Terry Stratton: Honourable senators, I rise to speak in response to the budget presented by the Honourable Paul Martin on February 24, 1998.

First, I should like to congratulate the minister on achieving a balanced budget. That is quite an achievement. It could not have happened without the actions of two of his predecessors, Michael Wilson and Don Mazankowski. It was these two ministers who started Canada down the road to fiscal

responsibility. Had it not been for them, Paul Martin would not have been able to achieve his balanced budget.

Much has been said in a negative way about the previous government, but it was that government which laid out the path that the current Liberal government is following. The courage and conviction of Brian Mulroney and his MPs will be remembered. It was much like the turning of a huge oil tanker at sea, altering the attitudes of Canadians so that they realized that dramatic changes needed to take place in their expectations of just what government is able to do.

Now, much like the Liberal caucus on the other side, I should like to put forward to the Finance Minister my options for inclusion in his next budget. I have read that the minister will consider these requests, providing that they are specific in just how the money is to be spent or not spent. I should like the Finance Minister to seriously consider the following:

First, it would appear from reports that the government is literally awash in money, with cash flow far exceeding expectations, to the degree that even the gurus at the Department of Finance cannot explain.

Since this government took office in 1993, total revenues have jumped by \$26 billion, or 27 per cent. Revenues from personal income taxes alone have climbed by 34 per cent. Those who scream, "Make the rich pay!" should take note that corporate income tax revenues have doubled since 1993.

Higher revenues account for at least three-quarters of the drop in the deficit between 1993 and 1997. A good chunk of the remainder is the result of passing on the deficit problem to the books of the provinces through cuts in some cash transfers — hardly something for the government to brag about.

The front cover headline of *Canadian Business* magazine of March 27 is: "Give Us A Break — Why the Heat's on Paul Martin for Big Tax Cuts." The article itself goes on to state:

Martin has benefited from some huge strokes of luck. He inherited remarkably low inflation and interest rates thanks to the inflation-fighting battles waged at tremendous political cost by Bank of Canada Governor John Crow and the Conservative government.

That is not me who is saying that; that is someone else saying that. The article continues:

He's also ridden the surging tax revenues generated by a recovering economy — in fact, taxes collected by the federal government as a percentage of GDP have never been higher in the history of Canada.

The article goes on about the future, and states:

The darkest cloud is outlined in a remarkable document issued last year by Industry Canada, the federal government department that monitors this country's international competitiveness. Entitled "Keeping Up With The Joneses," the report paints a grim picture of the productivity gap between Canada and the U.S. The most shocking piece of information is that Americans enjoy a living standard approximately 25 per cent better than Canadians, as measured by real personal income per capita.

Honourable senators, that gap continues to widen. Why? I will try to tell you. The average Canadian family pays more in personal income taxes than it pays for shelter, food or transportation combined. Clearly, this is a significant burden, even before you begin to include sales and property taxes. If you do include everything that is paid to government, hidden and direct, the average worker works until June to meet the demands of all three levels of government.

Real incomes are standing still. After taxes and inflation, Canadians have less money in their pockets today than in 1993. Putting more money back into the pockets of Canadians would help to restore that lost purchasing power.

Our tax rates are hopelessly out of line with those of our American neighbours. It is no wonder there is an ever-widening gap in productivity between Canada and the U.S. Money talks, and all the arguments about our unique Canadian way of life are too often drowned out by the sound of a \$10,000 annual tax saving in the U.S. The overall strong message from the magazine article is to cut taxes in order to increase our productivity.

• (1550)

I wish to suggest to Minister Martin that one way to do that would be to increase the basic personal exemption to \$10,000, as has been suggested by my Progressive Conservative colleagues in the other place. This would translate into an effective tax cut in the range of about \$800 to \$900 per taxpayer.

It simply does not make sense to tax Canadians earning less than \$10,000 a year, and such a measure would eliminate this inequity. The government should use the next budget as an opportunity to restore full inflation indexing to the tax system. Honourable senators, the small amount of tax relief that was offered in this budget may very well be an illusion as it simply restores for some Canadians what would have been lost to inflation this year.

During the debate on Canada Pension Plan reforms in both Houses of Parliament, we argued that rising CPP premiums must at least be offset with cuts in other taxes in general, and employment insurance premiums in particular.

From time to time, the government tells us that payroll taxes are a problem. In February of 1994, the Finance Minister told us, as he brought down his first budget, that "payroll taxes are a barrier to jobs." His context was an overhaul of the

unemployment insurance system that was supposed to result in lower premiums — not a huge premium surplus, but lower premiums.

A few months later, the government asserted in "Building a More Innovative Economy," also known as the "orange book" that, "Payroll taxes raise the relative costs of labour, creating a disincentive for firms to create jobs." Pick a colour, any colour. There was also the "purple book," "A New Framework for Economic Policy," telling us, in the fall of 1994, that a payroll tax "raises unemployment relative to the situation in which there is no tax or a lower tax." On the eve of his 1997 budget, Paul Martin told a CBC town hall meeting that, "there is no doubt that when payroll taxes rise, that could have an effect on jobs."

Honourable senators, the 1998 budget will keep EI premiums high until at least the year 2000. Employees this year and next will pay over \$2.70 for every \$100 of their insurable earnings. There will be, at the end of fiscal 1998, an \$18-billion surplus in EI — an \$18-billion surplus and a 25-per-cent deficit in our productivity compared to the United States.

Second, whatever happened to the Liberal support for medicare? To quote Susan Riley of *The Ottawa Citizen* in her article on March 11:

For a group eager to re-establish its Liberal credentials after years of punishing restraint, the Chrétien Liberals appear strangely indifferent, even hostile, these days to the sensitive issue of health care.

In media reports across the country over the last few months there have been countless articles reporting on the extreme conditions in our hospitals, particularly in our emergency wards, and this from a relatively mild outbreak of the A-Sidney flu virus.

Cash transfers to the provinces for health, welfare and education have been cut by \$6.3 billion since 1993, of which \$261 million was cut from Manitoba. CHST cuts have had a dramatic consequence for breast screening facilities in Canada, as another example. A recent federal government study found that half of the 338 clinics tested did not meet some American standards. Since the survey data was coded, the clinics, as well as the patients, do not know which facilities are substandard. Breast screening facilities are not regulated by federal quality standards.

I quote from *The Ottawa Citizen* of March 11, 1998:

In the Commons this week, Prime Minister Jean Chrétien has been responding to questions about deteriorating hospital service, crowded emergency wards and exhausted nurses by listing the mostly minor health initiatives contained in last month's budget. These include the claim that the federal government has put an additional \$1.5 billion into transfer payments to the provinces, when, in fact, all it did was cancel a proposed cut.

Despite the Prime Minister's and the Finance Minister's assertions that the provinces are to blame for the current hospital crisis which threatens the nation's health care system, the federal government has done little to offer guidance or assistance. Instead, it has chosen to focus its energies on show case initiatives such as the Millennium Scholarship Fund.

The recent waves of horror stories emerging from hospitals across Canada in regard to budget shortfalls prompted a tersely worded statement from Dr. Victor Dirnfield, President of the Canadian Medical Association. He said in a press release dated March 2, 1998:

The government has ignored Canadians who believe that access to quality health care is fundamental. By not listening and by not reinvesting in a health care system in dire need, the Prime Minister and the federal cabinet have missed the opportunity to address the growing anxiety of Canadians.

Waiting to reinvest in health care in future budgets, as Finance Minister Martin has suggested, is just not good enough. The crisis exists today and must be addressed immediately.

An article in *Time* magazine dated February 23, 1998 tells the tale of recent events in Hong Kong, and this should hit home. The article outlines in detail the events that occurred, resulting in the slaughter of about 1.4 million chickens, ducks, pheasants, quail, and other fowl kept for human consumption; a slaughter that may have prevented a pandemic similar to that which occurred in 1918 when 20 million people died from influenza.

I do not intend to be a predictor of gloom and doom, but the article goes on to say that the scientific community is waiting for the next pandemic, which they say is overdue.

Honourable senators, imagine what we are in for. They are predicting 60 million deaths should this occur. How can we expect to cope with such an outbreak if our hospitals cannot cope with the current situation?

I know that the role of the federal government is to provide vision and direction in consultation with the provinces as described in the current issue review on health care policy dated September 1997, prepared by Nancy Miller Chenier. However, while the current policy is to be admired, I suppose, in the eyes of Canadians it is not working. Where is the vision and direction the federal government is supposed to give — this government?

Finally, I should like the Minister of Finance to look at his much cherished Millennium Scholarship Fund. The Liberals have been accused of using the \$2.5 billion as a way to stir federalism in Quebec. Mr. Charest is noted in *The Toronto Sun* on February 26, 1998 as stating:

What he —

— “He” being the PM —

— is saying is he's ready to use the issue of student loans as a political football.

In his desire to become immortalized as the “education PM” Mr. Chrétien has substantially weakened the bedrock of effective federalism. To quote *The Globe and Mail* of February 26:

The \$2.5 billion Canadian Millennium Scholarship Foundation announced in Tuesday's budget amounts to the rape of federalism. It is also politically egocentric, administratively inept and strategically stupid.

Hon. John G. Bryden: Who said that?

• (1600)

Senator Stratton: *The Globe and Mail*.

Hon. Philippe Deane Gigantès: The distinguished Mr. Thorsell.

Senator Stratton: Cash transfers to the provinces for health, welfare and education have been cut by \$6.3 billion since 1993. The average tuition fee in Canada has gone up 43 per cent since November of 1993 — 43 per cent across the country, as I said in Question Period.

To quote Saskatchewan's Finance Minister, Eric Cline:

When you look at the Millennium Scholarship Fund — which is aptly named since it doesn't benefit anyone until the next century — I would estimate Saskatchewan will receive approximately \$10 million a year for students.

Cline noted that Saskatchewan now receives about \$40 million to \$50 million less in post-secondary education grants than it did when the Chrétien government assumed power in 1993.

The Finance Minister's millennium fund will help students starting in the millennium but what of the student of today? The student of today has responded by saying the minister has cut transfers to the provinces for education and, as a result, the provinces have been forced to raise tuition fees by 43 per cent. Students are now leaving school with what amounts to a mortgage, in effect, a mortgage on their future.

The Hon. the Speaker: Honourable Senator Stratton, I regret to inform you that your 15-minute period has expired.

Senator Stratton: May I have leave to continue?

The Hon. the Speaker: Is leave granted, honourable senators?

Some Hon. Senators: Yes.

Senator Gigantès: Sorry, sir, but do you apologize on behalf of Senator Lynch-Staunton, who would not let Senator Hébert continue, or do you not?

Senator Stratton: No.

Senator Gigantès: Then leave is not granted.

Senator Lynch-Staunton: You are the best argument for the retirement age we have ever seen.

Senator Gigantès: You started it.

Senator Lynch-Staunton: They should reduce it to 74.

The Hon. the Speaker: Leave is not granted.

Hon. Consiglio Di Nino: Honourable senators, it is my pleasure, on behalf of Senator Stratton, to finish his speech.

The Hon. the Speaker: Honourable senators, I believe this was a motion by Honourable Senator Stratton. He was speaking in closing.

Senator Di Nino: I am the next speaker on the same subject.

The Hon. the Speaker: I regret I was not in the chamber when this exchange started. This is a motion by Senator Stratton, so when he speaks again on the matter, he will close the debate.

Hon. Sharon Carstairs (Deputy Leader of the Government): Honourable senators, if I can clarify the situation, yesterday Senator Bolduc spoke and we agreed to leave the matter standing in the name of Senator Stratton. He has never spoken. This was his first speech.

The Hon. the Speaker: Did he not speak when he introduced the motion?

Senator Carstairs: No.

The Hon. the Speaker: Very well.

Senator Di Nino: To continue, honourable senators, the Finance Minister's millennium fund will help students starting in the millennium, but what of the students of today? The students' response is that the minister has cut transfer payments to the provinces for education and, as a result, the provinces have been forced to raise tuition fees by 43 per cent. Students are now leaving school with what amounts to a mortgage — and they do not even get a house to own.

Tell me, where has he left them and could he not help them directly in his next budget?

Senator Bryden: Honourable senators, I have a point of order.

Senator Di Nino: I will close in about 12 seconds.

The Hon. the Speaker: Senator Bryden on a point of order.

Senator Bryden: Briefly, I believe that this motion was introduced by Senator Stratton and he spoke on it.

Senator Carstairs: He just finished.

Senator Bryden: He just finished speaking on it. Senator Di Nino very clearly said, "I am now going to speak on behalf of Senator Stratton." Is Senator Stratton now speaking again?

Senator Di Nino: I did not say that.

Senator Bryden: You did. If that is so, the debate is finished.

Senator Di Nino: I said that I would finish Senator Stratton's speech.

Senator Bryden: Can we get the comment read back? We used to be able to do that in court.

He said he was speaking for Senator Stratton.

Senator Di Nino: I do not speak for anyone else but myself at any time.

Senator Gigantès: You said you would finish his speech.

Senator Di Nino: I am reading a speech that was prepared for me, as is the case here all the time, especially on the other side.

Senator Bryden: Senator Stratton, through Senator Di Nino — I guess it is like Edgar Bergen through Charlie McCarthy — is now finishing Senator Stratton's speech. If that is Senator Stratton's speech, then he is now giving another speech, and the debate is over.

The Hon. the Speaker: Honourable senators, this is a very interesting point. I do not believe we have a mechanism where senators can speak for another senator. I think the system is clear: When a senator rises to speak, he speaks for him- or herself. I can only assume that Senator Di Nino is speaking for Senator Di Nino. He is certainly the only one I see on his feet.

Senator Di Nino: Thank you, Your Honour. I should like to assure Senator Bryden, and all my colleagues opposite, that I will never rise to speak on behalf of anyone else. I shall always speak on my own behalf, possibly in the same vein as someone, else either agreeing or disagreeing, but I will speak on my own behalf.

Senator Gigantès: Hooray!

Senator Di Nino: We need a little livening up here on Thursday afternoon. The weather is very bad out there so no-one can go home anyway. I do not think the planes are flying, so let us stay here for the rest of the night.

Senator Bryden: Will your speech be more accurate?

Senator Di Nino: If I may continue, honourable senators, here we are.

I would like to make some suggestions to the minister. I will be providing the government with my humble suggestions for your next budget, with, I hope, enough specific direction to allow serious consideration on your part. I do hope that you consider

them to be prudent and caring, but as you are apparently awash in money over the next few years — some say there will be as much as \$30 billion in surplus per year in five years — surely you can now consider requests before the political opportune time of just before the next election.

Honourable senators, as we continue this debate, we will include a list of suggestions on how the minister can deal with this issue in the next budget. However, that is for another time and will have to wait until possibly next week, next month or the fall.

Hon. Senators: Hear, hear!

On motion of Senator DeWare, for Senator Spivak, debate adjourned.

THE SENATE

CONCERNS OF ALBERTANS—INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Ghitter calling the attention of the Senate to the concerns expressed by Albertans with regard to the Senate as an institution: (a) its effectiveness, usefulness and viability; (b) alternative means by which to select members of the Senate; (c) the nature of its regional representation, particularly a desire to see equal numbers of Senators representing each province; (d) the length of term of office; (e) the role which a revised Senate might take at a national level; and (f) the powers which would be appropriate for it to exercise in harmony with the House of Commons.—(*Honourable Senator Gigantès*).

Hon. Philippe Deane Gigantès: Honourable senators, Senator Ghitter addressed a serious matter that we cannot disregard. It is a fact that certain parts of the country somehow feel left out of the political process, the process of decision-making. That may be easy to dismiss. I can give a whole list of ways to refute each argument from those people, but the fact is that those people feel left out. They are citizens, and they deserve consideration on our part. Therefore, we should consider this particular problem seriously.

• (1610)

Unfortunately, I am not sure that Senator Ghitter gave suitable, serious consideration to the issue. For instance, consider this business of “Let us not sit as parties, but let us sit regionally.”

Regionalism — and let us just mention the question of Quebec — is one of the things that undermines the federation. The fact that in this chamber we are two fairly centralist parties — one left of centre a little, but not very much, one right of centre a little, but not very much, — is a unifying factor for the country. Do we wish to sacrifice that so that we can sit in our little regional caucuses, talking to one another about our own problems without exchanging information with other regions of the country? That is not very well thought out.

In suggesting that, Senator Ghitter also suggests somehow that partisanship is bad. You cannot have a democracy without having two parties. If you have a government with one party, you will have something like the Soviet Socialist Republic, or a banana republic. You must have two parties. Two parties means two political armies that must function. People must tend to the care and feeding of those parties, to collecting funds for them, to organizing their functioning, and to battle in elections. This is partisanship. Without it, we do not have a democracy. It is wrong to say, “Ah, if only everyone were non-partisan.” We sound like Stalin when we say that, although I am not suggesting that Senator Ghitter is an admirer of Stalin.

Consider this business of not wanting an elected Senate. There would be errors and difficulties in electing the Senate. However, if he pins his solution on not electing the Senate, he leaves the Senate in the same bind it has been in since 1867. Something is proposed; if the Senate does not act on it, those in favour of that proposition say, “What good is the Senate? They are not supporting our proposition.” If the Senate opposes their proposition, they say, “What good is the Senate? It is opposing something that we want.” The people on either side of an issue will always say that the Senate has no legitimacy because it is not elected, if we do not do as they wish. Therefore, not electing the Senate is not necessarily a good solution.

These are serious matters that must be considered. I do not think Senator Ghitter gave them sufficient consideration. He reflected the sort of stuff that one hears on talk shows, and I submit that this institution deserves better than being discussed in the terms of a talk-show complaint. I think we should examine this issue. I hope to participate with colleagues on both sides in examining it, but not in order to respond simply to the complaints of a Mr. Jack Aubry or any other journalist. This is too serious a matter. This is too central an institution and, in many ways, too unifying an institution.

Consider the appointing process. Senator Ghitter wants to substitute a committee for the Prime Minister.

Senator Di Nino: What a great idea.

Senator Gigantès: Hold on. Prime Minister Mulroney, whom I did not particularly like, as you are all aware, has appointed some fine senators. I like Senator Jessiman. I think he is a fine senator. Senator Di Nino is a fine senator, even though he irritates my bowel occasionally. Senator DeWare is magnificent. I find Senator Lynch-Staunton a difficult but effective Leader of the Opposition. But it was Mr. Mulroney who appointed him, not a committee. Committees, remember, given the job of designing a horse, often come up with a camel.

I do hope we will have more serious consideration of this issue than Senator Ghitter gave in his speech, which sounded as if he were playing for the favour of talk shows.

Hon. Consiglio Di Nino: Honourable senators, I cannot let this go. I have a question to ask of the senator. Are you suggesting that Senator Ghitter did not give this issue some thought; that he was frivolous, and that his inquiry and his comments were without thought or without consideration of a serious nature? Is this what you are saying?

Senator Gigantès: I am saying that for a counsel learned in the law and a man with his experience in government, he produced comments which are way below his capacity, and he is quite capable of doing much better. I much admire many of the qualities of Senator Ghitter. I sat once in the Energy Committee when he was presiding, and I found it very instructive, very fine; much higher intellectually in terms of what he was saying there than what he said in this chamber on the issue of the Senate.

Senator Di Nino: I can assure you that we on this side do not feel the same way.

Senator Gigantès: I did not expect you to feel the same way on that side.

Hon. Duncan J. Jessiman: Honourable senators, I, too, rise to speak on this particular matter. I have provided a written version of some of my thoughts to other persons who once sat in this chamber, one being the Honourable Duff Roblin. He has seen what I am about to share with you, and he thought it was worthy of at least some consideration by the Senate, notwithstanding that some of the things I will say will certainly be contrary to what the Honourable Senator Gigantès said to us earlier.

Reforming the Senate of Canada has been the subject of discussion among politicians, academics, editors and the general public since shortly after Confederation in 1867. With the defeat of the Charlottetown Accord on October 26, 1992, the last attempt to reform the Senate failed. Notwithstanding all of the effective work that this chamber has done in the last several years, the media report that the public at large continue to want the Senate reformed, and a number clamour for its abolition. To reform it, as many have suggested, or abolish it will require a constitutional change, and this certainly will not be done in the near term.

It is therefore my humble view that, in the short term, nothing will be done to reform this chamber unless we in the Senate are prepared to advance some suggestions that do not require an amendment to the Constitution. I should like the Senate to consider making the following recommendations to the Governor General in Council:

(1) A Joint Parliamentary Committee should be established to advise the Prime Minister on the desirability of appointing an independent —

— and I emphasize the word “independent” —

— commission (the Appointments Commission) consisting of three eminent Canadians from each of the following regions of Canada, namely:

Region 1 — British Columbia and the Yukon

Region 2 — Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut

Region 3 — Ontario

Region 4 — Quebec

Region 5 — New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland

for the purpose of selecting persons that the Governor General in Council would appoint to fill future vacancies in the Senate. This Appointments Commission would not be too dissimilar to the manner in which Justices to our Superior Courts are appointed to the Bench.

• (1620)

(2) Provisions in respect of the Appointments Commission should include the following:

(a) Except for unusual circumstances as may be determined by a majority of the members of the Appointments Commission, meetings thereof shall be held by means of conference telephone.

(b) The three persons from each region of Canada appointed to the Appointments Commission, known as the Subcommittee, shall recommend to the Appointments Commission the names of persons to fill vacancies that occur within the Subcommittee's region, and upon receipt of such names of such persons the Appointments Commission shall — unless 75 per cent of all the members of the Appointments Commission declare otherwise — recommend such persons to the Governor General in Council for appointment to the Senate;

(c) Meetings of the Subcommittee shall be held in person or as otherwise determined unanimously by the members of each Subcommittee;

- (d) If a Subcommittee cannot unanimously agree as to the person to be recommended for appointment to the Senate, the matter shall be referred to the Appointments Commission as a whole for final determination;
- (e) term of office of its members
- (f) the filling of vacancies;
- (g) the remuneration, if any, of its members; and
- (h) the appointment of officers, e.g. Chairman.
- (3) The Appointments Commission should be given guidelines in respect to the appointment of Senators as follows:
- (a) At least one of every two persons selected for appointment shall be female, with the goal that in future there would be an equal representation of men and women from each of the five (5) regions of Canada;
- (b) Except in respect to subparagraph (c)(v) of this section, (Politicians or ex-politicians), all such persons to be selected for appointment to the Senate shall be persons with at least twenty (20) years of experience in a given field of expertise.
- (c) The following are suggestions as to the type of person that should be appointed to the Senate:
- (i) Academics who have distinguished themselves in their field of expertise;
- (ii) Distinguished business persons who have owned and/or operated a small or large business enterprise;
- (iii) Persons who are well versed in the subject of agriculture;
- (iv) Professional persons such as economists, physicians, lawyers, accountants, engineers, architects, journalists, et cetera, who have distinguished themselves in their professions;
- (v) Politicians or ex-politicians who have served as a:
- (aa) Minister in the House of Commons;
- (bb) Minister in a Provincial Legislature;
- (cc) Leader of an official party in the House of Commons;
- (dd) Premier in a Provincial Legislature;
- (ee) Leader of Opposition in a Provincial Legislature; and/or
- (ff) Member of the House of Commons or a Provincial Legislature for a total of not less than five (5) years;
- (vi) Such other Canadians (to comprise no more than 10% of the number of Senators) as the Commission may deem appropriate for appointment.
- (d) The number of persons recommended for appointment to the Senate from any one of sub-paragraphs 3 (c)(i) to 3(c)(v) shall be limited to not more than twenty (20) per cent of the number of Senators appointed.
- (4) All present and future senators should agree that for a period of time — (e.g. 12 months at a time and from time to time thereafter) the following rules as to voting in the Senate shall apply, namely:
- Honourable senators, here I set out the regions. I hope it will be printed as per these columns setting out the origin or region, number of senators, votes per senator, total votes per province, total votes per region.
- Region One is British Columbia. They have 6 senators and each senator would have 3.75 votes for a total of 22.5 votes for British Columbia. The Yukon would have 1 senator, 1.5 votes each, for a total of 24 votes for that region.
- Region Two would have Alberta with 6 senators, each with 1.75 votes for a total of 10.5 votes. Saskatchewan would have 6 senators with 1 vote each for 6, Manitoba 1 vote each for 6, Northwest Territories, 1 senator, 0.75 votes for a total 0.75, Nunavut, 1.75, with a total for region 2 of 24 votes.
- Region Three would be Ontario, 24 senators, 1 vote each, 24 total.
- Region 4 would be Quebec, 24 senators, 1 vote each, 24 total.
- Region 5, New Brunswick would have 10, each with 0.75 of a vote for a total of 7.5 votes. Nova Scotia would have the same for 7.5 votes. Prince Edward Island would have 4 senators, 0.75 each for 3 votes, Newfoundland would have 6 senators, 1 vote each. The total ends with 24 votes each.
- That formula would result in equal representation by region. I do not know if it has been done in a legislature before but multi-voting has been done in corporations. It can be done down to the level of provinces. Certainly, this would result in a Senate that is equal by region, and effective.
- Even if we could take the next step — the change for which everyone seems to clamour — and have the senators elected, and we cannot, that would not in my opinion provide the quality of membership that would result from the appointment of senators by an independent body as set out above.
- (5) Present senators and future senators should consider themselves as representative of one of the regions.
- (6) Senators of each region shall from their own caucuses and determine their own officers in terms of office.

(7) The Senate, by a majority vote, shall recommend to the Governor General in Council:

- (a) the person who should hold the office of Speaker of the Senate; and
- (b) the term for which such person should hold office.

(8) The Clerk, the Usher of the Black Rod and such other officers, as shall be determined by a majority of the Senate, shall be elected by a majority vote of the Senate and shall hold office for such periods as the majority of the Senate may from time to time decide.

(9) The remuneration to be paid to all officers of the Senate, including that of the Speaker, shall be determined from time to time by a majority vote of the Senate.

(10) The powers of the Senate will remain as at present, except a Bill of the House of Commons defeated in the Senate would not be reconsidered by the Senate until the expiration of thirteen months from the date the Bill was first introduced to the Senate. Upon such reintroduction of the Bill to the Senate, the Senate would pass such Bill without debate.

Senator Stewart: More power to Ontario!

Senator Jessiman:

(11) The Rules of the Senate are to be such as may be determined by a majority vote of the Senate from time to time. The Rules are to include such matters as are provided in the Rules today but also to include how such Bills of the House of Commons will be received to be dealt with by the Senate.

(12) Senators who do not attend meetings of the Senate except for medical or other valid reasons —

I might add, maybe we should have our own independent medical officer determining that.

Senator Gigantès: Or a commission of doctors at least.

Senator Jessiman:

— (e.g. doing work on behalf of the Senate elsewhere) will have their sessional allowance reduced by an amount of at least \$500 per day for each day the Senator has not attended meetings of the Senate.

(13) The Senate should encourage the House of Commons to amend the *Parliament of Canada Act* so that:

- (a) the present \$10,000 tax-free allowance for Senators and the \$21,300 tax-free allowance for Members of the House of Commons be cancelled.

(b) Senators and the Members of the House of Commons be paid a reasonable amount by way of sessional allowance to properly reflect the work they perform in Parliament.

(c) Senators and Members of the House of Commons be paid for reasonable accommodation, travel, and other expenses incurred while on business for Parliament and for which they have provided duly verified receipts.

(14) The Appointments Commission and its five Subcommittees shall remain in existence at the pleasure of the Governor General in Council.

• (1630)

If the Senate operated on the above basis, it would properly carry out the function for which it was intended: one, represent the various regions in Canada, and two, provide a sober second thought to legislation passed by the House of Commons.

On motion of Senator Carstairs, for Senator Lucier, debate adjourned.

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, before we proceed any further, I would like to draw your attention to a visitor from the other place in our gallery, Mr. Pat O'Brien, MP for London—Fanshawe.

[*Translation*]

INTERNATIONAL FRANCOPHONIE DAY

INQUIRY—DEBATE ADJOURNED

Leave having been given to proceed to Notice of Inquiry No. 21:

Hon. Jean-Robert Gauthier rose pursuant to notice of Tuesday, March 17, 1998:

That he will call the attention of the Senate to the Journée internationale de la francophonie, on Friday, March 20, 1998.

He said: I am pleased, during this week celebrating the Francophonie, to point out that Canada has been a pioneer in this area. It manifested an interest in the countries sharing the use of French a number of years before the Francophonie became what one might call institutionalized.

The Francophonie, as we know it today, consists of 52 states and governments sharing the use of French, either as an official language or as a language of usage or culture. There are 140 million “real” francophones, that is to say men and women for whom French is either their mother tongue or their language of use. In addition, there are 62 million occasional francophones.

The Francophonie is political, cultural and technical. If there are some similarities with the British Commonwealth of Nations — for example, that it is spread over all the continents — it differs from it in a number of areas, particularly in the fact that there is no single person at its head. The Commonwealth is headed by the Queen of Great Britain, who is also the sovereign of Canada, Ireland, Australia, New Zealand and a number of other republics. Within the Francophonie, no single head of state has supremacy over the others.

In the Commonwealth, a number of countries have English as their sole official language. Among the countries of the Francophonie, only one has French as its sole language: France.

As in the Commonwealth, there is a diversity of political structures in the Francophonie. To put it very briefly, the Francophonie is far more diversified than the Commonwealth, both in its composition and in its concerns and interests, in very large part cultural, whereas the Commonwealth has always had links with its partners that are more economic than anything else.

It was in western Africa, in Niamey, the capital of Niger, that the birth certificate of the francophone community was signed in February 1969. From February 17 to 20, 1969, at the invitation of the President of Niger, Diiori Hamani, some thirty nations from four continents — Europe, Asia, Africa and America — met to raise the foundations of La Francophonie at the first conference of countries partially or entirely French-speaking.

Following a remarkable presentation by André Malraux, France, represented by the national education secretary, Jacques Trorrial, declared that the conference represented the real “launch of the francophonie idea.” He then spoke three words, which, to this day, have served as motto to all the members of La Francophonie: equality, complementarity and solidarity.

Canada’s representative, Gérard Pelletier, Secretary of State at the time, expressed Canada’s reasons for joining the community of francophone countries, and I quote:

We realize that the francophone element of our country will grow only through the furthering of our relations with all countries that, like ours, share in the French language and culture.

Canada, however, did not wait until the Niamey conference to give tangible expression to its interest in establishing relations with French-speaking countries.

Sometime around 1960, with the independence of the Belgian and French colonies, Canada took an interest in Africa and in possibilities for francophone cooperation. Initially, it committed only modest sums to this pursuit, but, by 1969, its budget for cooperation with these countries had reached \$30 million.

We could go back further and show that Canadian aid to French-speaking countries predated the Niamey conference by several years. In fact, in 1952, two years after the inauguration of the Colombo Plan, Canada made resources available to three

countries formally belonging to French Indochina: Vietnam, Cambodia and Laos.

In 1961, it extended this Asian experiment to French-speaking countries in Africa and to Madagascar. The contribution of funding to these countries was followed, in 1962, by the establishment of diplomatic relations, and the appointment of the first Canadian ambassador to French-speaking Africa. That year, Fulgence Charpentier — who will be 101 years old on June 29 — was appointed ambassador to Cameroun.

Senators will recall that, a few years later, in 1968, the Canadian government sent a plenipotentiary cooperation mission to francophone Africa under the leadership of Lionel Chevrier. Prior to this mission, Canada focused on technical assistance: teachers and advisers were sent, and trainees and interns received. To this kind of cooperation, the Chevrier mission added assistance for investment and infrastructure programs.

It was thus that Canada took part in a vast rural development project in Morocco, in the construction of four general colleges in Senegal and in rural electrification in Ivory Coast. Also in Ivory Coast, it helped organized the national library in Abidjan. In Tunisia, Canada helped build three secondary schools. It introduced a livestock vaccination program in Niger. In Dahomey and Togo, it established an electrical distribution system that also served the English-speaking country of Ghana.

Over the years, Canadian assistance to French-speaking countries has continued to grow and diversify. Last November, at the Hanoi summit, Canada proudly announced that public development assistance to French-speaking nations in 1996-97 had reached \$467 million. The Hanoi summit, it should be mentioned, witnessed what could be called the birth of the political French-speaking world, and the election of Boutros Boutros-Ghali, former Secretary General of the UN, to the position of Secretary General of La Francophonie. As an Egyptian, who had helped his country become an associate member of the Agence de la Francophonie and a summit participant, Mr. Boutros-Ghali took pleasure in recalling that the desire for La Francophonie arose from outside France. I might mention in passing that Boutros Boutros-Ghali means “rock.”

In the spirit of the Francophonie, there were numerous other institutions, some before Niamey and some after: the Richelieu clubs, created here in Ottawa in 1944; the Union internationale des journalistes de langue française, founded in 1950; the Association des universités partiellement ou entièrement de langue française, created in 1961. As well, something that concerns us in the Senate of Canada very directly, the Assemblée internationale des parlementaires de langue française, which I have had the honour of heading for the past year. The idea for such an association of francophones and francophiles originated with OCAM, the Organisation commune africaine et malagache.

According to François-Pierre Le Scouarnec’s “La Francophonie,” the members of OCAM had long thought of creating a group of francophone parliamentarians. His is an excellent book, by the way and well worth reading. In 1967, at the urging of the Africans, representatives of 23 countries

founded the Assemblée internationale des parlementaires de langue française in Luxembourg. It set as its primary objective the encouragement of initiatives of any nature aimed at fostering the spread of the French language. As the years passed, this organization came to exercise a strong influence within the Francophonie.

Its first secretary-general, Xavier Deniau, the member of Parliament for Loiret, and France's former Minister of Departments and Overseas Territories, remains one of the key figures of the Francophonie.

Over the years, the association has opened up its membership to parliamentarians who use French as their language of international relations. Thus its membership now includes those for whom French is neither mother tongue nor official language.

There are a number of other organizations witnessing to the importance and vitality of the Francophonie. In addition to the ones we have already mentioned, there are the Conseil international de la langue française, the first meeting of which was held at Versailles in 1968; the Association internationale des professeurs de français, dating from 1969; the Association des diététiciens de langue française; the Association des navigateurs de langue française; not to mention associations of French-speaking sociologists, physicians and so on.

More tangibly, there is the field of communications. Who has not heard of the Communauté radiophonique des pays de langue française? Who has not heard of TV5? Need I mention the diversity of Canada's contribution to culture? Our writers are published and read in France, Belgium, Switzerland and many other countries. Our artists perform on stages throughout the French-speaking world.

Some examples I could mention are writers Antonine Maillet, from New Brunswick, Anne Hébert and Jacques Godbout, from Quebec, Franco-Ontarian Jean Ethier-Blais, Manitoban Gabrielle Roy, and many others. In the world of music, there are pianists André Laplante, Louis Lortie and Marc-André Hamelin, lyricist Luc Plamondon, singers Robert Charlebois, Claude Léveillée, Gilles Vigneault, and Céline Dion, to mention just a few. In France, the memory of Félix Leclerc is still just as alive today as it is in Canada. Some of our painters whose fame has spread throughout the French-speaking world include Fernand Léger, Alfred Pellé and Jean-Paul Riopelle.

Members of our business community have made their mark on the French-speaking world as well. Paul Desmarais, Laurent Beaudoin and Pierre Péladeau stood out at the Francophone Business Forum, an organization created at the Quebec summit in 1987. This forum is one of the rare non-governmental organizations that has succeeded in mobilizing members of the business community directly. Its founding members were all Canadians or Africans. The forum created an international office with headquarters, which were inaugurated in 1990, in Montreal. With financial assistance from Canada and technical support from the Banque internationale d'information sur les États

francophones, the Agency for Cultural and Technical Co-operation set up the Banque d'information des gens d'affaires.

As can be seen, La Francophonie has many faces. It is present at numerous international events. The Summit of Heads of State and Heads of Government of member countries still captures world attention. One of these summits was held in Quebec City in 1987, the most recent took place in Hanoi last November, and the next is scheduled for Moncton, New Brunswick, in 1999.

La Francophonie is also present in the world of sports. It holds its own games. The next such games will take place in the National Capital Region, in Ottawa-Hull, in 2001.

Clearly, the French-speaking world is constantly evolving. Its roots lie deep in a shared culture anchored by a common language.

[English]

Hon. John G. Bryden: Honourable senators, a little over three years ago, I had the honour of being sworn into the Senate at the same time as Jean-Robert Gauthier. Little did I know on that day that I would be accompanying a person of such courage, and such a huge heart and commitment to his family, his institutions and his country.

• (1650)

I cannot speak for all senators, but it gives me a great deal of pride and a great deal of encouragement for our institution to welcome you back this afternoon to full participation in our proceedings.

Hon. Senators: Hear, hear!

[Translation]

Hon. Gérald-A. Beaudoin: I would like to add a few words to this tribute to my friend Jean-Robert Gauthier. His most remarkable speech gave me great pleasure. It was so complete and articulate, I can add nothing and I doff my cap to his great courage and eloquence. Congratulations.

On motion of Senator Gigantès, debate adjourned.

[English]

LEGALIZATION OF INDUSTRIAL HEMP CULTIVATION

INQUIRY—DEBATE ADJOURNED

Hon. Lorna Milne rose pursuant to notice of March 17, 1998:

That she will call the attention of the Senate to the legalization of industrial hemp cultivation; and to the credit due the Senate for its role in ensuring hemp would be planted in Canada this year.

She said: Honourable senators, there are not too many of us here right now, but I suggest to those who are here to keep your eyes open. There will be a new crop growing in Canada. For the first time in over 60 years, hemp will be legal. For the first time in three generations, hemp will be legally grown in North America, and Canadian farmers will be the first to profit from it.

Last Friday, March 13, the Minister of Health, Allan Rock, announced in Tillsonburg, Ontario, that Canadian farmers would be allowed to grow hemp this spring. This is two years ahead of the initial target which was set for 2000. Mr. Rock only arrived in the Ministry of Health in July 1997, but he managed to quickly understand the issues surrounding him. Not only did he understand, he took action.

Essentially, the minister recognized and agreed with the incredible potential that Canadian farmers see in hemp as a cash crop, so he has brought it to them two years earlier than expected. The many people in the Ministries of Health, Agriculture, Revenue and Justice and the Solicitor General who worked on this legislation also deserve a great deal of credit, for without them, farmers would still be unable to plant hemp.

Let me recount the recent story of this great agricultural event to remind honourable senators of the quintessential role that the Senate played in enabling this quiet revolution.

In June of 1996, the government made the mistake — or maybe it was a gratuitous choice — of asking me to move six amendments to correct serious drafting errors in Bill C-8, the Controlled Drugs and Substances Act. Being a relatively new senator, I agreed and managed to add an amendment of my own. In the Legal and Constitutional Affairs Committee, as we listened to the evidence presented by several groups, the value of hemp fibre as an agricultural crop and the basis for a Canadian industrial thrust forward became quite clear.

As I said in this place on June 19, 1996:

Two groups appeared before the committee to talk about hemp. Hempline has been granted licences by Health Canada to grow crops for research purposes. The Canadian Industrial Hemp Lobby also gave evidence. It rapidly became apparent that the growth of fibre hemp, fibre cannabis, as an agricultural crop, presented us with a win-win situation.

The opportunity to add hemp fibre to Canada's agricultural pantheon arose through the exemption of non-viable seeds of hemp plants from the definition of "controlled substances." We seized upon this loophole and expanded it by adding "mature hemp stock (including fibre)," to the clause. This simple but far-reaching amendment was passed unanimously by the Senate Legal and Constitutional Affairs Committee, by the Senate itself, and was given Royal Assent on June 19, 1996.

This action alone shows the value of the Senate in producing legislation which works to the benefit of the people of Canada.

Farmers often feel unrepresented by the system and we managed to produce something for their benefit.

Honourable senators, amending the original legislation was not our only role in helping the farmers of Canada. In April 1997, almost a year after the legislation had received Royal Assent, the Senate and its Standing Committee on National Finance called members of Health Canada to appear before it. As part of that committee's study of the Estimates, we asked the officials about the status of the regulations necessary to allow the cultivation of industrial hemp. The officials before us were not surprised by our questions but were unwilling to give us an exact date for the publication of the regulations. They cited high workloads as being the major reason for their lack of progress. However, I think anticipating our wrath, they offered a commitment to a January-1998 deadline, which would allow farmers to begin planting a crop in the spring of this year. Honourable senators, they came through on their deadline.

Essentially, the Senate took this bill, which had been sloppily drafted and then passed by the other place — or perhaps rubber-stamped would be a better description — and made it into something that gives real potential to Canadian farmers. They now have the option of moving from other crops such as tobacco — a damaging crop both in the sense of its effects on the environment and of its various end products on human health — to the production of something that has a myriad of positive uses.

Honourable senators, I have sung this song before: Hemp is perfect for growth in the tobacco lands of southwestern Ontario because it can grow in the sandy loam soils there. It can grow without substantial use of either pesticides or herbicides. It can grow north of Edmonton, around Thunder Bay, in Prince Edward Island and in New Brunswick. Essentially, hemp can be grown across Canada. Furthermore, hemp not only improves the condition of the soil by adding organic matter, it is also a major converter of so-called greenhouse gas.

I do not want to bore honourable senators by repeating myself but the potential uses of hemp are incredible and greatly varied. It can be used for particle board, fabric, fuel, food in the form of its oil and its seeds, cosmetics, and many other things which are still in the process of being explored. At this point, however, perhaps some of its most impressive and environmentally sound uses are in the paper industry and in fabricating strong, lightweight biodegradable panels for the automotive industry. Therefore, hemp is an economically viable alternative to the use of trees in paper products and to the use of non-renewable resources in the form of metal or plastic in cars. This can only help to decrease the devastating environmental effects of deforestation and even the canopy loss which has been so greatly increased by the recent ice storm throughout this area and eastward.

Honourable senators, let me remind you again of the differences between industrial hemp and marijuana. Industrial hemp seeds and fibre must have a THC level of 0.3 per cent or lower. That means only three parts in 1,000. Most varieties used

for industrial hemp contain much lower narcotic levels than 0.3 per cent. In contrast, marijuana has a THC level of at least 3 per cent and usually much higher. Obviously, anyone wishing to use industrial hemp for narcotic purposes will have a difficult time. All they will get for their purposes is a massive headache.

Farmers constantly feel that they are under threat by urbanized society. The cities draw in their children who no longer wish or are no longer able to work on farms. Politicians tend to make laws which support the majority of their constituents, who are generally urban. We often forget that food is essential to life. Our food supply and our farmers are a basic, invaluable and essential part of this nation. At present, many farmers are demoralized, and good agricultural land is going out of production because of farmer-unfriendly legislation. The Senate's amendment to the Controlled Drugs and Substances Act helps to right this imbalance.

• (1700)

Moreover, I believe that our amendment will allow Canadian farmers to be more competitive in the global environment. This will give all of Canada a great advantage in the world economy. Right now, there is an enormous demand for industrial hemp in the United States. The American state governments are nowhere near passing regulations to allow for the production of hemp. Canadian farmers will be in a position to supply the U.S. market and to compete with the Chinese, who are currently filling that demand. There is also potential for a great deal of spin-off benefits to Canadian industry. As I said before, the production of industrial hemp will eventually lead to jobs, jobs, jobs.

The regulations developed by Health Canada take stringent steps to assure the Canadian public, Customs and Excise, and law enforcement officials that no one will be able to grow marijuana and hide it as hemp. These strict requirements exist through all the stages of growing and processing the product and will make it virtually impossible to get away with any subterfuge.

Honourable senators, the Senate's reputation will be greatly improved by our handling of this matter. Now and then, opportunities such as this arise. Be on the look out for them, new senators. If we continue to work in such a timely fashion and to support our colleagues when they bring such positive motions before us or draw these opportunities to our attention, we will, in quiet ways, do a great deal more than merely improve legislation through our traditional sober-second-look role. We will occasionally be able to bring in something new and beneficial to all Canadians.

In conclusion, when you are driving along the highways of this great country later this year, watch for fields full of something that may look a little different. Since most of us here are urban

people, I venture to say that no one in this chamber has seen hemp growing before. Watch 300 or 400 plants per metre shoot up to heights of 10 to 14 feet. Watch this new opportunity being harvested in August. Watch history being made. Just watch our Canadian farmers beat the world.

On motion of Senator DeWare, debate adjourned.

CANADIAN WAR MUSEUM

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE
AUTHORIZED TO EXTEND DATE OF FINAL REPORT

Hon. Mabel M. DeWare, for Senator Murray, pursuant to notice of March 17, 1998, moved:

That the Standing Senate Committee on Social Affairs, Science and Technology which was authorized to examine and report upon all matters relating to the future of the Canadian War Museum including, but not restricted to, its structure, budget, name, and independence, be empowered to present its final report no later than Tuesday, June 30, 1998.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion.

Hon. Senators: Agreed.

Motion agreed to.

[*Translation*]

TRANSPORT AND COMMUNICATIONS

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF SENATE

Hon. Sharon Carstairs (Deputy Leader of the Government), on behalf of the Honourable Senator Lise Bacon, pursuant to notice of Wednesday, March 18, 1998, moved:

That the Standing Senate Committee on Transport and Communications have power to sit at 3:30 p.m. on Tuesday, March 24, 1998, for its examination of Bill C-17, an Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Motion agreed to.

The Senate adjourned until Tuesday, March 24, 1998, at 2 p.m.

**THE SENATE OF CANADA
PROGRESS OF LEGISLATION
(1st Session, 36th Parliament)
Thursday, March 19, 1998**

**GOVERNMENT BILLS
(SENATE)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications					
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20		
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16		
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11		
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19		

**GOVERNMENT BILLS
(HOUSE OF COMMONS)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry					
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25		
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18							
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97

C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17								
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and amending and repealing other Acts as a consequence	92/12/09								
C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Iceland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/12/02	97/12/08	Banking, Trade and Commerce	97/12/09	none	97/12/10	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	97/11/27	36/97
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/18	97/11/27	32/97
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications						
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs						
C-21	An Act to amend the Small Business Loans Act	98/03/19								
C-22	An Act to Implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	97/12/03	34/97

C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18

COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs					

SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology					
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology					
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs					
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10							
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Tobacco Industry Community Responsibility Foundation (Sen. Kenny)	98/02/26							

CONTENTS

Thursday, March 19, 1998

	PAGE		PAGE
The Honourable Leonard S. Marchand, P.C.			
Tributes. Senator Graham	1217		
Senator St. Germain	1218		
Senator Hays	1218		
Senator Grafstein	1219		
Senator Carstairs	1219		
Senator Fairbairn	1220		
Senator Austin	1220		
<hr/>			
SENATORS STATEMENTS			
Freedom of Speech and Parliamentary Propriety			
Senator Lynch-Staunton	1220		
Human Rights			
International Day for the Elimination of Racial Discrimination. Senator Kinsella	1221		
National Francophonie Week			
Senator Losier-Cool	1221		
Senator Pépin	1221		
The Budget 1998			
Clarification of Previous Statement. Senator Bolduc	1222		
Human Rights			
Racial Discrimination in Justice System in Nova Scotia. Senator Oliver	1222		
<hr/>			
ROUTINE PROCEEDINGS			
Internal Economy, Budgets and Administration			
Fourteenth Report of Committee Adopted. Senator Rompkey ...	1222		
Fifteenth Report of Committee Adopted. Senator Rompkey	1223		
Adjournment			
Senator Carstairs	1223		
Small Business Loans Act (Bill C-21)			
Bill to Amend—First Reading.	1223		
International Summit of Sexually Exploited Children and Youth			
Notice of Inquiry. Senator Pearson	1223		
<hr/>			
QUESTION PERIOD			
The Budget			
Cuts to CHST Payments—Effects on Health Care Delivery System in Nova Scotia—Government Position. Senator Oliver	1223		
Senator Graham	1224		
Post-Secondary Education			
Establishment of Millennium Scholarship Fund— Liaison of Foundation Management with Provinces— Government Position. Senator Di Nino	1224		
Senator Graham	1224		
Uniqueness of Canada Millennium Scholarship Foundation—Government Position. Senator Di Nino	1224		
Senator Oliver	1224		
Senator Graham	1225		
Continuing Increase in University Tuition Fees— Government Position. Senator Stratton	1225		
Senator Graham	1225		
Senator Carstairs	1225		
Senator Lynch-Staunton	1225		
Increases in University Tuition Fees—Representation by Quebec Students to Minister of Intergovernmental Affairs— Government Response. Senator Murray	1225		
Senator Graham	1225		
Senator Bolduc	1226		
Answers to Order Paper Questions Tabled			
Energy—Secretary of State for Parks—Conformity with Alternative Fuels Act. Senator Carstairs	1226		
Energy—Science, Research and Development—Conformity with Alternative Fuels Act. Senator Carstairs	1226		
<hr/>			
ORDERS OF THE DAY			
Depository Bills and Notes Bill (Bill S-9)			
Third Reading. Senator Carstairs	1226		
Canada-Yukon Oil and Gas Accord Implementation Bill (Bill C-8)			
Second Reading—Debate Adjourned. Senator Lucier	1226		
Senator Di Nino	1227		
Excise Tax Act (Bill S-10)			
Bill to Amend—Second Reading. Senator Carstairs	1228		
Senator Di Nino	1229		
Referred to Committee.	1229		
Post-Secondary Education			
Consideration of Final Report of Special Committee— Debate Continued. Senator Callbeck	1229		
Canadian War Museum			
Report of Social Affairs, Science and Technology Committee Adopted. Senator Murray	1231		
The Budget 1998			
Statement of Minister of Finance—Inquiry—Debate Continued. Senator Stratton	1231		
Senator Bryden	1233		
Senator Gigantès	1233		
Senator Di Nino	1234		
Senator Carstairs	1234		

	PAGE		PAGE
The Senate		Legalization of Industrial Hemp Cultivation	
Concerns of Albertans—Inquiry —Debate Continued.		Inquiry—Debate Adjourned. Senator Milne	1240
Senator Gigantès	1235	Canadian War Museum	
Senator Di Nino	1235	Social Affairs, Science and Technology Committee Authorized	
Senator Jessiman	1236	to Extend Date of Final Report. Senator DeWare	1242
Visitor in the Gallery		Transport and Communications	
The Hon. the Speaker	1238	Committee Authorized to Meet During Sitting of Senate.	
International Francophonie Day		Senator Carstairs	1242
Inquiry—Debate Adjourned. Senator Gauthier	1238	Progress of Legislation	
Senator Bryden	1240		i
Senator Beaudoin	1240		



If undelivered, return COVER ONLY to:
Public Works and Government Services Canada
Publishing
45 Sacré-Coeur Boulevard,
Hull, Québec, Canada K1A 0S9